



DeKalb County, Georgia

Strategic Economic Development Plan

Update 2019

RKG



Strategic Economic Development Plan Five-Year Update 2019 DeKalb County, Georgia

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DeKalb County Strategic Economic Development Plan 2024

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DeKalb County Strategic Economic Development Plan 2024

Chapter One: Introduction

Abstract

The Decide DeKalb Development Authority, jointly with DeKalb County, retained RKG Associates to complete a five-year update to its Strategic Economic Development Plan (SEDP). The first countywide SEDP was issued in 2014 and analyzed DeKalb County's economic development strengths, challenges, and trends, and issued a series of recommendations – one of which was the formation of the Decide DeKalb Development Authority ("Decide DeKalb" or "DDDA"). This five-year update provides a refreshed analysis of a rapidly-evolving county, and establishes a revised set of goals, target industries, and action items. These aim to help County stakeholders maximize their economic development resources to attract and retain as many good-paying jobs as possible, while simultaneously helping DeKalb residents to enjoy the very highest quality of life.

Work Plan

From its public kickoff meeting in August 2018 through final strategy conversations with County and DDDA staff in February 2019, the SEDP combined a data-driven economic and market analysis approach with a public engagement process that captured the community's unique goals and concerns. While a robust quantitative analysis serves as a base for evaluating DeKalb County's market for economic development initiatives, the SEDP's recommendations are only made actionable by public buy-in. For this reason, SEDP staff engaged with business owners, County and municipal staff, economic development professionals, elected officials, and the general public to ensure that the Plan's outcomes reflected DeKalb's unique culture and goals. Support for an economic development plan is never unanimous, but the SEDP's public engagement process can leave decision-makers confident that there is broad public backing for its goals and action items.

Statistical Analysis

Before engaging in creative problem solving, the SEDP required a deep understanding of DeKalb's socioeconomic, real estate, and business environment, and how they have changed since 2014's SEDP. The Socioeconomic Analysis (Chapter Two), Real Estate Market Analysis (Chapter Three), Target Industries Analysis (Chapter Four) and others leaned heavily upon data from the US Census Bureau, the Bureau of Labor Statistics, the Atlanta Regional Commission, the Georgia Department of Labor, and the DeKalb County Appraisal and Assessment Department, among others. Many of the charts and figures in this report emphasize year-on-year changes in the County's demographics and economy; understanding these baseline trends is critical to forecasting DeKalb's potential for future development.

Public Outreach, Working Group, and Interviews

The SEDP's public outreach effort included three public meetings, six community professional working group sessions, and over 70 interviews with business owners, elected officials, municipal and city staff, and other stakeholders. The three public meetings or "town halls" were held in the cities of Decatur, Stonecrest, and Chamblee. Additionally, SEDP staff administered a public online survey of economic development goals, assets, challenges, and feelings about different types of potential development in the

county. 231 DeKalb residents responded to the survey, and helped guide the SEDP's stated goals and priorities. These were later vetted and curated by Decide DeKalb and County staff.

Report Components

The SEDP update is organized into eight chapters, including this one, by topic area. The Executive Summary, a separate document, is included as an appendix.

Chapter 1: Introduction

Chapter 2: Socioeconomic Analysis

Chapter 3: Real Estate Market Analysis

Chapter 4: Target Industry Analysis

Chapter 5: Existing Assets Assessment

Chapter 6: Employment Center Analysis

Chapter 7: International Business Development Analysis (prepared by FOCOM, Inc.)

Chapter 8: Implementation Strategies

The recommendations in this SEDP are intended to help County leadership to make well-informed decisions about how to further develop DeKalb County's diverse and unique economy. Whether via new recruitment strategies, organizational structures, zoning changes or policy adjustments, these proposed action items all aim to maximize the County's potential and ensure its long-term economic and fiscal sustainability for current and future residents.

Acknowledgements

The SEDP process involved several community leaders and stakeholders. While RKG Associates provided the technical expertise and advisory services, this SEDP analysis and implementation plan is the result of coordination and collaboration with several stakeholders representing the County's diverse business and population. RKG Associates wants to acknowledge those individuals who were instrumental in the completion of this effort.

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DeKalb County Strategic Economic Development Plan 2024

Chapter Two: Socioeconomic Analysis

Introduction

DeKalb County is one of the country's most unique communities, defined in many ways by its diverse socioeconomic and built environment. Its substantial racial and ethnic diversity has been widely documented, but also important to DeKalb's identity are its diverse landscapes, incomes, employers, and challenges. With semi-urban portions of the City of Atlanta, rural and low-density industrial communities, and wide range of suburban-style neighborhoods in between, DeKalb's opportunities and challenges are as varied and unique as its population.

While the SEDP completed in 2014 provided a baseline analysis of the County's demographic and socioeconomic conditions at the time, an updated understanding is critical to any Plan that seeks to address the needs of a rapidly changing county and metro area. This chapter provides data and analysis on how DeKalb has changed since the previous SEDP, and on how its shifting employment base affects its prospects for economic development. These analyses will help inform the site-specific target industry strategies and action items developed in the SEDP's later chapters.

This chapter relies heavily upon data from the US Census Bureau, the US Bureau of Labor Statistics, and the Georgia Department of Labor, among other sources. Some data, especially demographic estimates from the Census Bureau, differ from figures published by other agencies, including the Atlanta Regional Commission. While studying figures from the ARC and other organizations is worthwhile, this report relies upon the Census' American Community Survey where applicable, in the interest of consistency and using the largest overall dataset. Data from the US Census Bureau and the Bureau of Labor Statistics are reported for 2016, the most recent year available during the SEDP research period.

The countywide data in this chapter are presented alongside data for Cobb, Fulton, and Gwinnett counties as agreed with Decide DeKalb staff. These counties were chosen to approximate the "core of Metro Atlanta" area and are intended to represent DeKalb's primary local competition for new growth. While examining these comparison communities can provide interesting perspectives on demographic and employment trends, it is important to note that DeKalb also competes with cities and counties outside the Atlanta region. In many cases economic development success in Cobb, Fulton, or Gwinnett counties is positive news for DeKalb as well, as Metro Atlanta strives to become a more welcoming and attractive place for businesses and residents of all types to call home.

Key Findings

- **DeKalb's population is growing, but at a slower rate than its neighboring communities.** A population growth rate of 4.6 percent from 2010 to 2016 was just over half the growth rate seen in Fulton (8.3 percent) and Gwinnett (8.6 percent). Local data suggest that DeKalb's population growth may have accelerated in 2017, but longer-term trends persist.
- **DeKalb's racial and ethnic diversity – identified as a key asset for economic development - continues to set it apart from most of Georgia and the South.** The county's black and white populations grew at the same rate as DeKalb's overall population from 2010 to 2016, although the county has experienced a notable decrease in Hispanic/Latino residents.
- **The proportion of residents with a bachelor's degree is higher than ever – but DeKalb has had relatively less success in attracting jobs that match their education.** Commuting patterns show less-educated workers coming in from neighboring counties to work low-paying jobs in DeKalb, and higher-educated DeKalb residents commuting to Fulton County or elsewhere for better pay.
- **The average DeKalb County wage is on the rise, but resident households' median income has experienced only modest growth since 2010.** DeKalb wages have risen at the same rate as those across Metro Atlanta – but median household income grew by a modest 2.5 percent, slower than the statewide average of 3.4 percent.
- **Job creation has been slower than in peer counties.** A 7.0 percent increase in DeKalb jobs since 2010 was less than half the growth rate of rapidly developing Cobb, Fulton, and Gwinnett counties.
- **Healthcare continues to be DeKalb's key economic driver.** Its 40,600 jobs make it the largest employment sector, and with 22 percent job growth since 2010, DeKalb's fastest-expanding large industry. Jobs are concentrated in patient-care functions, with over 13,000 employees in hospitals and a further 8,700 in practitioners' offices.
- **State projections forecast 2,300 new job openings per year in DeKalb through 2024.** While many more openings will become available due to employee turnover, jobs created from organic growth will be highest in fields including education, health practitioners, computer and mathematical occupations, and business operations.

Demographics

Population

DeKalb County's population reached an estimated 723,902 persons in 2016, growing by roughly 32,000 residents or 4.6 percent from 2010. While DeKalb's population grew faster from 2010 to 2016 than did the State of Georgia's (+ 4.2 percent), the county's growth lagged significantly behind its comparison Atlanta counties. Strong growth in Cobb (+ 5.9 percent), Fulton (+ 8.3 percent) and Gwinnett (+ 8.6 percent) counties highlighted the increasing importance and strength of Metro Atlanta within the state and region, and suggests that DeKalb may not be realizing its fair share of Atlanta's growth. This may be due to a wide array of causes – an aging housing stock, lingering perceptions of crime or government effectiveness, employment needs, or others – which are discussed in the following chapters.

Table 2.1: Total Population Growth, 2010–2016

	2010	2016	% Growth
DeKalb	691,893	723,902	+ 4.6%
Cobb	688,078	728,388	+ 5.9%
Fulton	920,581	996,757	+ 8.3%
Gwinnett	805,321	874,242	+ 8.6%
<i>Georgia</i>	<i>9,687,653</i>	<i>10,099,320</i>	<i>+ 4.2%</i>

Sources: US Census, Census 2010 and American Community Survey 2012-2016 5-year Estimates; RKG Associates.

It should be noted that the Atlanta Regional Commission (ARC), a regional planning agency, has estimated stronger growth in DeKalb's population through 2017. ARC estimated that the county population had grown by 8.8 percent from 2010, reaching 753,253 in 2017. This growth estimate may reflect a wave of new multi-family housing becoming occupied, as ARC reported 1,583 new multifamily building permits in 2017 alone. As disclosed in the introduction to this chapter, the SEDP relies upon US Census Bureau estimates for consistency and the breadth of data available. That said, DeKalb's future population growth rates may be more consistent with its urban (and urbanizing) neighbors given the county's recent increase in multi-family development.

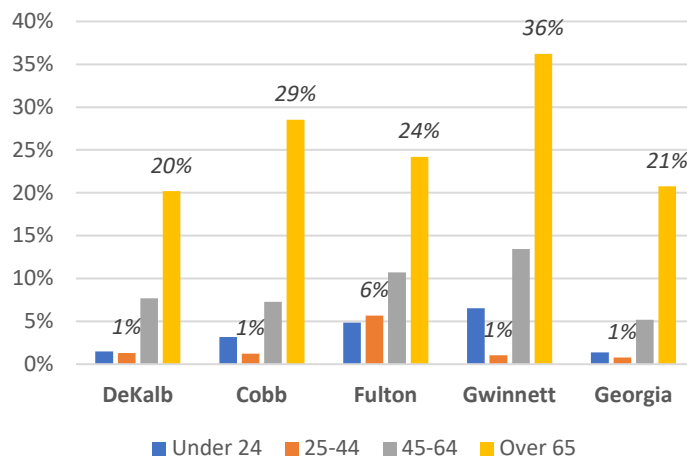
Population Growth by Age

Communities across the country are experiencing significant age cohort shifts as the "Baby Boomer" generation reaches retirement age and "Millennials" increasingly dominate the workforce. These changes tend to be especially pronounced in suburban communities, as young professionals have exhibited a tendency to congregate in more urban and "urban edge" communities in recent years. DeKalb County was no exception from 2010 to 2016, with its 65-and-over population growing by 20 percent to roughly 75,000. While 20 percent growth represents a massive shift in the county's makeup, this rate of aging was in fact significantly slower than that seen in Cobb (+ 29 percent), Fulton (+ 24 percent), or Gwinnett (+ 36 percent) counties. Still, DeKalb's rapid growth in residents over the age of 64 presents significant challenges, including shifting healthcare needs, a changing workforce, and increased demand for different types of housing.

While aging more gradually than its peers, DeKalb County's very slow growth rate among the critical 25-to-44 age group is cause for concern. 25- to 44-year-olds represent mostly young professionals and people in "household formation" years, a group that drives much of the cultural vibrancy and economic vitality that communities seek. DeKalb's slow growth rate of just 1 percent within this age group from 2010 to 2016 was the same as the state, but lagged significantly behind Fulton County's (+ 6 percent). Fulton's relative success in attracting this age group is likely due to a range of factors. A greater availability of new multi-family housing, a job market more in line with the skills of highly educated young professionals, and a growing preference for living nearer to the state's largest commercial center may, among other drivers, be having an effect.

Figure 2.1: Population Growth by Age Group, 2010–2016

With 25-44 and 65+ Age Groups Highlighted



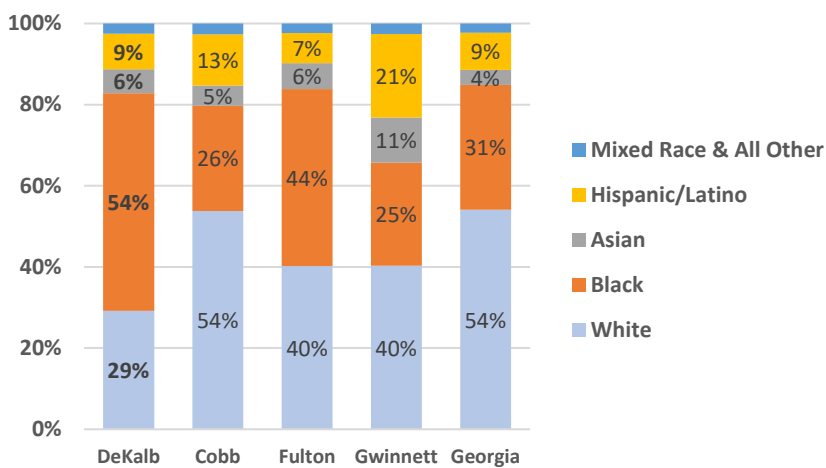
Sources: US Census, Census 2010 and ACS 2012-2016; RKG Associates.

Racial and Ethnic Population Shifts

As noted in the previous SEDP, one of DeKalb's defining characteristics is its racial and ethnic diversity relative to the rest of Georgia and much of the American South. This remains the case today. Non-Caucasian¹ residents comprise over 70 percent of DeKalb's population, well above the proportion in Cobb (46 percent), Fulton (60 percent), Gwinnett (60 percent), or Georgia (46 percent).

Since 2010 DeKalb's black population has grown by roughly 4.7 percent, and its white population by 3.9 percent, both largely in line with the overall county growth rate of 4.6 percent. The Asian population has swelled to nearly 43,000, representing a 22.0 percent growth from 2010. Conversely, DeKalb's Hispanic/Latino population has declined, a notable rarity within Metro Atlanta, the South, and the entire US. While Hispanics and Latinos still comprise DeKalb's third

Figure 2.2: Racial/Ethnic Distribution, 2016



Sources: US Census, Census 2010 and ACS 2012-2016; RKG Associates.

¹ "Non-Caucasian" residents include those Hispanic/Latino residents who also identify as white.

largest racial/ethnic group with over 9 percent of the total population, a net loss of roughly 4,600 residents (-6.9 percent) from 2010 to 2016 represents a significant exodus. Conversations with Metro Atlanta’s Latin American Association (LAA) suggested that issues of housing affordability

(especially in the heavily Latino Buford Highway corridor), difficulties acquiring business licenses (for US citizens, legal residents, and especially undocumented residents), and other factors may be to blame. Gwinnett County’s growing Hispanic/Latino community may be drawing from DeKalb, especially residents with limited English skills who wish to live in a more Spanish language-concentrated community. The relatively cheaper housing options in portions of Gwinnett County may also be playing a role.

Educational Attainment

DeKalb County’s population is relatively well-educated compared to the state and to many of Metro Atlanta’s other counties. 41.7 percent of DeKalb’s over-25-year-old population hold a bachelor’s degree or more, and roughly two-thirds attended at least some college. DeKalb’s population proportion with a bachelor’s degree or greater has grown by 3.3 percent since 2010, a faster growth rate than that of Cobb, Fulton, or Gwinnett counties. Gwinnett’s relatively low growth rate in degree-holders likely reflects an influx of new, less-educated, or foreign-born residents, perhaps seeking lower housing costs. The fact that many of these residents likely came from DeKalb County may be driving some of DeKalb’s 2010 to 2016 change.

While still lower than that of its peers, the proportion of DeKalb residents with at least a bachelor’s degree is higher than it has been since at least 2000, when data became available – it is very likely higher today

Table 2.2: Total Population Growth, 2010–2016

	2010	2016	% Growth
DeKalb Total	691,893	723,902	+ 4.6%
White	203,395	211,311	+ 3.9%
Black	370,963	388,222	+ 4.7%
Asian	35,173	42,912	+ 22.0%
Hispanic/Latino	67,824	63,173	- 6.9%
Mixed-Race & All Other	14,583	18,284	+ 25.8%

Sources: US Census, Census 2010 and American Community Survey 2012–2016 5-year Estimates; RKG Associates.

Table 2.3: Population with at least a Bachelor’s Degree

	2010	2016	% Growth
DeKalb	38.5%	41.7%	+ 3.3%
Cobb	44.2%	45.0%	+ 0.7%
Fulton	47.5%	49.8%	+ 2.3%
Gwinnett	34.5%	34.9%	+ 0.5%
<i>Georgia</i>	<i>27.4%</i>	<i>29.4%</i>	+ 4.2%

Sources: US Census, Census 2010 and American Community Survey 2012–2016 5-year Estimates; RKG Associates.

than it has ever been. DeKalb's comparatively slow rate of employment growth highlights a widening mismatch between the county's increasingly educated residents and its comparatively low-earning jobs.

Income

Despite overall growth and extreme variation across the county's different communities, DeKalb remains the lowest income of Atlanta's four inner counties. DeKalb's Median Household Income (MHI) reached \$52,623 in 2016, 2.5 percent greater than the 2010 MHI.² This growth rate was slower than the state of Georgia's (3.4 percent) and lagged behind the national inflation rate,³ meaning that the median DeKalb household had less purchasing power in 2016 than it did six years before. While the more affluent Cobb and Fulton Counties also saw median household incomes grow slower than inflation from 2010 to 2016, the income gap between DeKalb and those communities widened. Gwinnett County, while still possessing a higher median household income than DeKalb, has seen its MHI fall since 2010, likely due to the lower-earning newcomers that comprised much of the county's 8.5 percent population increase.

DeKalb's relatively low MHI within Metro Atlanta obscures the fact that it is home to large numbers of households at both ends of the income spectrum. 24 percent of DeKalb households earn over \$100,000 per year, more than the proportion that earn that amount across Georgia. These households remain concentrated in high-performing local markets like Decatur, Dunwoody, Brookhaven, and others, typically in the county's northwestern

Table 2.4: Median Household Income Growth, 2010–2016

	2010	2016	% Growth
DeKalb	\$51,349	\$52,623	+ 2.5%
Cobb	\$65,522	\$68,818	+ 5.0%
Fulton	\$56,709	\$58,851	+ 3.8%
Gwinnett	\$63,219	\$61,865	- 2.1%
<i>Georgia</i>	<i>\$49,347</i>	<i>\$51,037</i>	+ 3.4%

Sources: US Census, Census 2010 and American Community Survey 2012–2016 5-year Estimates; RKG Associates.

neighborhoods. The 33 percent of DeKalb households that earn less than \$35,000 per year is smaller than the proportion for the state as a whole (35 percent), but does present greater challenges than in wealthier Cobb, Fulton, and Gwinnett counties. These households do tend to have at least one working adult, a reflection DeKalb's low unemployment and high rate of labor force participation (see the final section of this chapter for further workforce information). The portions of the county that are home to more of these lower-earning households face market challenges different from those in DeKalb's wealthier communities. Employers of all types, including retailers, may struggle to justify locating in certain lower-income areas until their market profile grows and incomes rise.

² US Census American Community Survey, 2012–2016 5-Year Estimates

³ US Bureau of Labor Statistics, Consumer Price Index

Households

The number of households in a community is clearly tied to changes in its overall population and housing stock, but analyzing the composition of those households can provide insights about a community's changing needs in terms of housing, access, and amenities. DeKalb's number of households grew by 2.3 percent during the period from 2010 to 2016, from 264,837 households to 270,903 (+6,066 households).

Comparing DeKalb's household growth rate to that of its peers and the rest of the country reveals several patterns. Many urban and near-suburban communities across the country are experiencing high rates of growth in the number of households, nearly mirroring the population growth rate itself. The closer a household growth rate approximates a community's population growth rate, the smaller the average new household; said another way, a greater number of households means smaller average households, all else equal. A greater number of smaller households reflects a nationwide trend towards delayed household formation, as more citizens choose to remain single longer, have children later (or not at all), or forego roommates. From 2010 to 2016, Cobb, Fulton, and Gwinnett counties saw this trend play out, with household growth rates similar to their overall population growth rates. In Cobb, the growth rates were equal.

DeKalb's households, in contrast, grew at roughly half of the overall population growth rate: 2.3 percent versus 4.6 percent population growth. This indicates that DeKalb's newcomers are in, on average, larger households than the average newcomer to neighboring communities. DeKalb's larger household trend is being driven not by larger families, but primarily by non-related residents choosing to live as roommates. 2,025 of DeKalb's net 6,066 household gain from 2010 to 2016 were non-family, multi-roommate households. The number of "family" households grew modestly from 2010 to 2016 (+1.5 percent) compared to the overall HH growth rate.

This is not necessarily a positive or negative trend. While a rising number of families may indicate DeKalb has desirable locations conducive to family households; the concentration of non-family household growth indicates different areas have different market strengths. Similarly, the trend of larger non-family households

Table 2.5: Household Growth Rates, 2010-2016

	Household Growth %	Family Household Growth %	Non-Family Household Growth %	<i>Memo: Population Growth %</i>
DeKalb	2.3%	1.5%	3.4%	4.6%
Cobb	5.9%	6.6%	4.4%	5.9%
Fulton	7.7%	3.9%	12.6%	8.3%
Gwinnett	7.2%	8.0%	4.4%	8.6%
<i>Georgia</i>	4.1%	3.0%	6.6%	4.2%

Sources: US Census, Census 2010 and American Community Survey 2012-2016 5-year Estimates; RKG Associates.

suggests that DeKalb’s historic housing affordability within the region may be diminishing, leading residents to join up as roommates in order to afford to live in the county.

Economic Base Analysis

Job Growth & Employment Trends

DeKalb County is home to roughly 260,900 jobs, a seven percent increase from 2010. The county is a key piece of the Metro Atlanta economy, home to major international corporations, world-class research universities, and thousands of dynamic small businesses. That said, DeKalb has historically been home to many “bedroom communities” – heavily residential areas with limited job opportunities, typically home to households whose earners commuted into Downtown Atlanta or elsewhere for work. Despite growth in the number of jobs, DeKalb continues to play the role of Atlanta’s bedroom community in some ways. Its jobs-to-residents ratio of 0.36 is well below Cobb’s 0.44 and Fulton’s 0.73, and is barely higher than Georgia’s 0.32 ratio despite being at the heart of the state’s most vibrant economy. DeKalb’s lack of jobs relative to its large population means the county often misses out on the benefits of large private investment. For example, considering its size, the county underachieves relative to its neighbors in terms of exports and foreign investment, as covered in Chapter 5’s International Business Analysis. Additionally, common low-wage jobs like retail and hospitality make up a large proportion of the county’s employment. While they play an important role, these jobs tend to contribute less to an area’s overall economic well-being than do positions in higher-paying industries like Healthcare and Professional Services (see Chapter 4’s Target Industry Analysis).

DeKalb’s recent employment growth has been significantly slower than that of surrounding counties. Cobb, Fulton and Gwinnett counties all experienced 14 to 15 percent employment growth during the period from 2010 to 2016, more than double that of DeKalb. Similarly, Georgia’s overall employment grew by 11.3 percent during this time period. Despite growing more slowly than its peers, DeKalb has posted positive year-on-year job growth in five of six years since emerging from the Great Recession in 2011. Its unemployment rate has fallen to 4.8 percent, dropping in every year since the recession and substantially closing the gap on its peer counties.

Table 2.6: Employment Growth Rate, 2010–2016

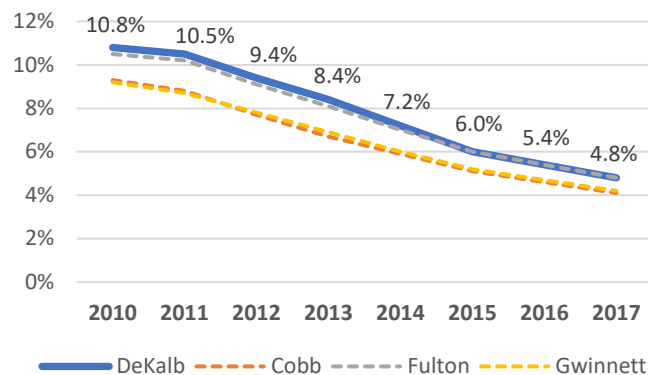
	2010 Jobs	2016 Jobs	% Growth
DeKalb	243,782	260,864	+ 7.0%
Cobb	279,030	317,961	+ 14.0%
Fulton	635,059	729,336	+ 14.8%
Gwinnett	265,902	306,655	+ 15.3%
<i>Georgia</i>	<i>3,191,151</i>	<i>3,553,091</i>	+ 11.3%

Sources: US Bureau of Labor Statistics, Annual Employment Averages; RKG Associates.

While it is not possible to identify a single reason for DeKalb’s relatively low employment growth rate, feedback from the SEDP’s public meetings, community working group, and dozens of interviews offer a wide array of potential factors. The County’s reputation for business “unfriendliness,” while notably improving, remains a barrier in the minds of many firms. Public transit access is strong in some communities and absent in others. Lingering perceptions of DeKalb’s schools and public safety remain, and a relative lack of new housing may be pushing employers to communities that can more readily meet their employees’ housing needs. Furthermore, regional economic development partners also noted the need for a clear economic development vision that specifically defines the types and locations of growth that the County seeks and would endorse.

Figure 2.3: Unemployment Rate

With DeKalb unemployment rate listed



Sources: Georgia Department of Labor; RKG Associates.

Much of DeKalb’s modest job growth since 2010 has been driven by 55 and older employees who have

Table 2.7: Jobs & Job Growth by Age Group

DeKalb County

	2010 Jobs	2016 Jobs	% Growth
All Ages	243,782	260,684	+7.0%
14-18	2,244	2,812	+25.3%
19-21	7,928	8,027	+1.2%
22-24	10,871	11,796	+8.5%
25-34	54,648	57,440	+5.1%
35-44	63,287	61,696	-2.5%
45-54	59,994	63,055	+5.1%
55-64	35,822	43,168	+20.5%
65+	8,985	12,871	+43.2%

Sources: US Bureau of Labor Statistics, Annual Employment Averages; RKG Associates.

remained in the workforce beyond typical retirement age. 11,000 more 55 and older employees held jobs in DeKalb in 2016 than in 2010. This increase dwarfed the 1,200-job increase among 25- to 44-year-olds during that period. The trend of older employees remaining in the workforce longer is not unique to DeKalb County; in fact, Cobb, Fulton, and Gwinnett Counties all saw larger percentage increases in their 55-and-up working population from 2010 to 2016. Those counties, however, saw strong employment growth among younger professionals as well. DeKalb’s number of late-career employees grew about 15 times faster than its number of young professionals (22-44 years old) from 2010 to 2016. This disparity suggests that older workers remaining in jobs later in life is actually reducing DeKalb firms’ ability

to hire younger workers. This may be because neighboring counties have seen stronger creation of new businesses, which are more likely to hire younger workers than older ones. Additionally, fast-expanding industries with deep roots in places like Fulton County may be more willing to hire large classes of young professionals than more steady-growing, older firms in DeKalb County. Fulton County, for example, added

445 more new businesses than DeKalb County in the rapidly-expanding Professional, Scientific and Technical Services sector from 2010 to 2016. Where DeKalb actually saw overall employment in the sector decline over that period, the other counties surged, driven mostly by new jobs for 22- to 44-year-olds. Combined, the three peer counties added nearly 11,000 jobs in Professional, Scientific & Technical Services that were held by 22- to 44-year-olds (including over 8,100 in Fulton County), compared to a 1,126-position loss in DeKalb.

Table 2.8: Job Growth Rate by Age Group

Selected Age Groups, 2010 -2016

	Ages 22-44	Ages 45-54	Ages 55+
DeKalb	+1.7%	+5.1%	+25.1%
Cobb	+8.1%	+10.6%	+33.5%
Fulton	+10.4%	+11.0%	+33.0%
Gwinnett	+6.2%	+15.0%	+41.0%

Sources: US Bureau of Labor Statistics, Annual Employment Averages; RKG Associates.

Employment Trends by Sector

The healthcare sector further consolidated its role as the largest employment sector in DeKalb from 2010 to 2016. More than one in every seven jobs in DeKalb County was in the healthcare sector in 2016 – 40,604 in total. Healthcare employment’s 21.9 percent growth from 2010 to 2016 was mainly driven by hiring at large institutions like Children’s Healthcare of Atlanta (CHOA) and Emory Healthcare, but also by growing employment in smaller firms in subsectors like care for the elderly, outpatient services, and social assistance. As analyzed in Chapter 4’s Target Industry Analysis, the healthcare industry is one of DeKalb’s key competitive advantages over the rest of Metro Atlanta; located at the region’s geographic heart, the county is Georgia’s hub of patient care and life sciences research. Continuing the category’s growth and preeminence will be at the core of any successful economic development strategy for DeKalb County.

Other large employment sectors in DeKalb County include retail, educational services, accommodation and food services, and administrative/support roles. The county is home to a relatively high share of workers in low-wage retail and hospitality roles. This underscores the importance of job diversification and the attraction/retention of higher-paying roles, but also signals a high level of cultural capital. Generally, stores and restaurants are considered amenities that contribute to the vibrancy and livability of their communities, and often attract other firms that wish to locate nearby. Education jobs will continue to play a large role in DeKalb’s economy due to its large public-school system (the county’s second largest employer) and prevalence of universities. Emory University alone employs 14,349 workers – including

Emory Healthcare employees, the University is Metro Atlanta's second-largest employer overall.⁴

Table 2.9: Largest Employment Sectors, 2016

	2010 Jobs	2016 Jobs	% Growth
Healthcare & Social Assistance	33,311	40,604	+ 21.9%
Retail Trade	29,167	33,008	+ 13.2%
Educational Services	30,344	31,501	+ 3.8%
Accommodation & Food Services	16,906	19,429	+ 14.9%
Administrative, Support & Waste Services	16,290	18,334	+ 12.5%

Sources: US Bureau of Labor Statistics, 2-Digit NAICS Codes; RKG Associates.

Several smaller industries grew substantially from 2010 to 2016. DeKalb's number of Data Processing and Hosting jobs more than doubled, to 1,320 total positions. Insurance sector employment swelled by 86 percent to roughly 8,800 jobs, driven by State Farm's new regional headquarters at Perimeter Center. DeKalb continued its growth as a center for corporate headquarters of all types and saw recent investments in commercial real estate push construction jobs to 38 percent growth.

Table 2.10: Highest Job Loss Sectors, 2010-2016

	2010 Jobs	2016 Jobs	% Growth
Paper Manufacturing	914	482	- 47.3%
Telecommunications	6,921	3,794	- 45.2%
Publishing Industries (non-Internet)	4,395	2,528	- 42.5%
Merchant Wholesalers of Nondurable Goods	3,872	2,375	- 38.7%
Furniture and Home Furnishings Stores	1,064	664	- 37.6%

Sources: US Bureau of Labor Statistics, 2-Digit NAICS Codes; RKG Associates.

Curtailing DeKalb's overall job growth rate were a number of fields that are experiencing declines nationwide. Paper manufacturing, non-internet publishing, and furniture store jobs sustained job losses in DeKalb from 2010 to 2016. A 45 percent drop in telecommunications employment was largely driven

⁴ Emory University, September 2018. emory.edu/home/about/factsfigures

by changes at AT&T, which moved employees from its AT&T Mobility division to Fulton County and to Los Angeles and Dallas.⁵

Wages

The average worker employed in DeKalb County earned \$54,324 in 2016, up 5.6 percent from 2015 and 18.2 percent from 2010. Wages rose faster in DeKalb than in Gwinnett County and at roughly the same rate as Cobb County from 2010 to 2016, despite being home to substantially slower growth in Median Household Incomes. DeKalb's wage growth success may not be translating into proportionally greater incomes for its residents in part because of an increasing number of DeKalb residents taking jobs outside the county (see the "Commuting Patterns" section below).

This appears to be occurring at both ends of the wage-earning spectrum. DeKalb's well-educated residents are increasingly commuting to Downtown Atlanta, Buckhead, and elsewhere in Fulton County to take part in those areas' strong economies. The average worker in Fulton County earned 30.7 percent more in wages than did the average DeKalb worker in 2016, reflecting the clustering of high-paying, highly-skilled jobs in Atlanta's Central Business District. Many less-educated

DeKalb residents are finding it in their best interests to commute outside the county as well. Even as healthcare and other industries have driven the average DeKalb wage higher, less-educated workers have sought retail, food service and other low-wage jobs outside the county, suppressing DeKalb residents' Median Household Incomes.

Figure 2.4: Average Annual Wage, 2016

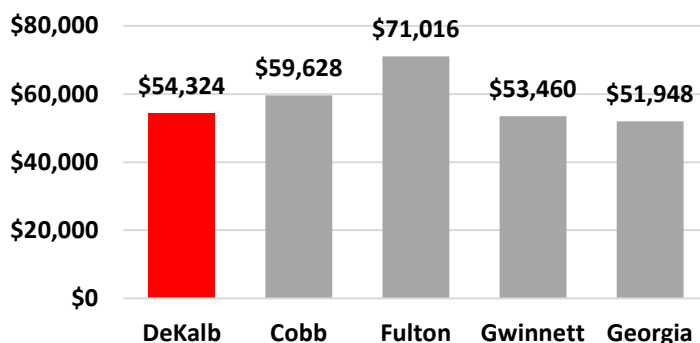
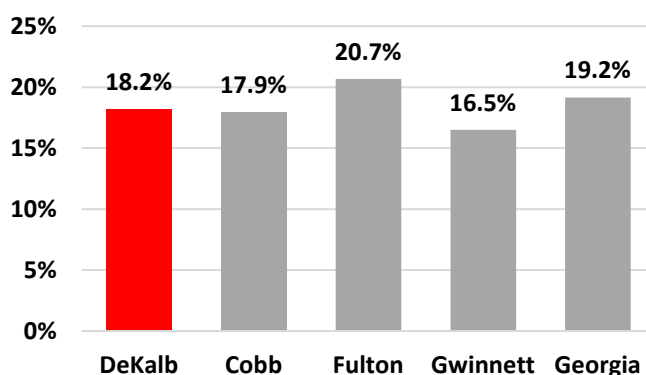


Figure 2.5: Growth in Average Annual Wage, 2010-2016



Sources: Georgia Department of Labor; US Census County Business Patterns; RKG Associates.

⁵ Kanell, Michael E. "AT&T Moving Entertainment Jobs Out of Atlanta." *The Atlanta Journal-Constitution*. 27 Apr 2017.

Within DeKalb, average wages tend to lag slightly behind the Georgia average in higher-paying sectors like finance and professional/scientific services, while rising above the state average in lower-paying sectors like retail and administration. This is logical; many of Georgia's highly-skilled, high-paying jobs are in the City of Atlanta, so workers just outside the urban core in these fields will typically earn slightly less, while workers in fields like retail that exist in every part of the state will earn more than the state average due to DeKalb's location at the metro area's geographic center. Further growth in the wholesale trade and manufacturing sectors could have outsized benefits for DeKalb County, as they provide relatively high-paying jobs that today earn well above the state average in their sector.

As covered in Chapter 5's section on business attraction factors, average wages in any field can represent a "double-edged sword" to potential employers. Lower average wages can mean a lower cost of labor, a critical component in site selection for many firms. Higher average wages, however, can reflect a stronger talent pool from which to hire, as firms raise salaries to compete for an area's best and brightest workers. While Atlanta is a relatively high-earning region within Georgia and the American South, firms may find Metro Atlanta to be attractive from a cost of labor perspective when compared with other high-talent labor markets like New York City, San Francisco, and Boston.

Table 2.11: Average Annual Wages in DeKalb's Top Employment Sectors

	2016 Jobs	Avg. Annual Wage	% of Georgia Annual Wage
Healthcare & Social Assistance	40,604	\$52,380	102%
Retail Trade	33,008	\$37,392	115%
Educational Services	31,501	\$60,120	135%
Accommodation & Food Services	19,429	\$23,208	111%
Administrative and Support and Waste Management	18,334	\$43,512	104%
Professional, Scientific, and Technical Services	17,122	\$75,384	91%
Transportation and Warehousing	12,930	\$51,180	89%
Wholesale Trade	12,630	\$80,892	107%
Finance and Insurance	12,616	\$70,608	88%
Manufacturing	12,014	\$64,728	113%

Sources: US Bureau of Labor Statistics, 2-Digit NAICS Codes; RKG Associates.

Establishments

DeKalb is home to roughly 16,800 business establishments, including a net gain of just under 800 businesses (+4.7 percent) since 2010. This growth rate was just less than Georgia's overall establishment growth rate of 5.2 percent over that period. As with employment growth, DeKalb's number of establishments is growing slower than that of its peers, including less than half the rate of new establishment creation in Gwinnett County.⁶

Along with Fulton and Gwinnett Counties, DeKalb has seen rapid growth in the number of arts, entertainment and recreation firms (nearly 300 in total at the end of 2016), especially those serving the film industry. The Healthcare sector added over 200 establishments from 2010 to 2016, many of which are reportedly small businesses in fields like in-home patient care and care for the elderly. Recent growth in large-scale commercial real estate investment has likely led to the growth in firms working in the real estate, rental and leasing field (+124 establishments or 13.9 percent).

According to Quarterly Workforce Index figures, total jobs and net new hires in DeKalb County are increasingly being driven by large firms with over 500 employees. While small business employment grew nominally from 2010 to 2016, a decreasing number of jobs and net new hires are being seen at the mid-sized employers in between large corporations and locally-owned firms with less than 50 employees.

Table 2.12: Total Jobs by Firm Size, 2010-2016

	2010 Jobs	2016 Jobs	% Growth
All Private Sector Firms	216,747	234,684	+ 8.3%
0-19 Employees	32,207	35,209	+ 9.3%
20-49 Employees	15,917	17,037	+ 7.0%
50-249 Employees	24,182	25,665	+ 6.1%
250-499 Employees	10,410	9,102	- 12.6%
500+ Employees	134,031	147,671	+ 10.2%

Sources: US Bureau of Labor Statistics, Quarterly Workforce Indicators; RKG Associates.

Commuting Patterns

While both the number of jobs in DeKalb and the total population have been on a slow but steady rise, fewer DeKalb residents worked within the county in 2015 than did in 2010.⁷ The percentage of employed DeKalb residents who leave the county for work has risen from 68 percent to 72 percent, including over 39 percent who commute to Fulton County.

This means that of the roughly 296,200 employed residents of DeKalb County, just 82,300 were able to find a suitable employment opportunity in the county. This is in some ways typical of communities located

⁶ US Census Bureau, County Business Patterns

⁷ US Bureau of Labor Statistics, Longitudinal Employer-Household Dynamics

just outside of major urban economies, especially ones located as close to the “economic center” as DeKalb is to Downtown Atlanta. Some of these workers may have previously held positions elsewhere and

Table 2.13: Where DeKalb Workers Live, 2015

	% of Workers
DeKalb	29%
Gwinnett	16%
Fulton	16%
Cobb	8%
Clayton	4%
All Others	26%

Sources: US Bureau of Labor Statistics, Longitudinal Employer-Household Dynamics; RKG Associates.

Table 2.14: Where DeKalb Residents Work, 2015

	% of Workers
Fulton	39%
DeKalb	28%
Gwinnett	11%
Cobb	7%
Clayton	3%
All Others	12%

Sources: US Bureau of Labor Statistics, Longitudinal Employer-Household Dynamics; RKG Associates.

subsequently moved their residence to DeKalb to shorten their commute or enjoy its quality of life. Still, the fact that the number of residents leaving DeKalb for work is growing means the County and its firms have an opportunity to provide residents with employment opportunities that better suit their needs, closer to home.

Workforce Skills Summary

DeKalb County’s workforce is one of its most important business attraction assets. Prospective firms will find a deep talent pool for higher-paying technology, medical, and corporate jobs, as well as for less-skilled but critical support roles across dozens of industries. The prevalence of highly-respected colleges and universities,

Table 2.15: DeKalb Jobs by Educational Attainment, 2010–2016

	2010	2016	% Growth
Total Jobs	243,782	260,864	7.0%
Less than high school	24,598	31,529	28.2%
High school/GED	54,930	60,584	10.3%
Some College	69,742	73,248	5.0%
Bachelor’s Degree or more	73,456	72,864	-0.8%
Other/unavailable*	21,041	22,634	7.6%

Sources: US Bureau of Labor Statistics Quarterly Workforce Indicators; RKG Associates.

as well as partnerships between the business community and DeKalb’s public and vocational schools, mean ample opportunities for connecting with young talent across the job spectrum.

DeKalb’s population is, overall, becoming increasingly well-educated (see Table 2.15). The proportion of college graduates in the county is the highest since 2000, the earliest data available.⁸ While the county’s growing educational attainment is clearly positive for attracting higher-paying employers, data show that the clear majority of DeKalb’s newly created jobs since 2010 have gone to workers without a college degree. In 2016, just 28 percent of DeKalb-based jobs were held by workers with a bachelor’s degree or higher, down from 30 percent in 2010. With increasing numbers of DeKalb residents leaving the county for employment, this data suggests that well-educated residents may be having trouble finding positions locally that match their skill level and pay requirements. The proposed target industries identified in Chapter 4 have the potential to grow DeKalb’s job base at all income levels, but will provide opportunities for highly-skilled DeKalb residents to work and contribute to the local economy closer to home. This pool of workers, as shown in Table 2.16, is substantial.

Future employment growth projections can help county decision-makers to prioritize industry segments that are most aligned with DeKalb’s talent pool. The Georgia Department of Labor’s “Workforce Trends to 2026” report projects that 88 percent of new jobs created in the state by 2026 will be in service industries. Driving new employment will be growth in the Healthcare &

Table 2.16: Educational Attainment, DeKalb Jobs vs. Residents

2016, excluding workers under age of 25

	Jobs	Working-Age Residents	Gap
Total Jobs/Workers	238,230	485,606	-247,376
Less than high school	31,529	55,523	-23,994
High school/GED	60,584	101,302	-40,718
Some College	73,248	126,067	-52,819
Bachelor’s Degree or more	72,864	202,714	-129,850

Sources: US Census Bureau, American Community Survey 2012-2016 5-Year Estimates; US Bureau of Labor Statistics Quarterly Workforce Indicators; RKG Associates.

Social Assistance (projected 20.4 percent job growth by 2026), Transportation & Utilities (14.8 percent), Professional & Business Services (14.0 percent), and Construction sectors (13.8 percent).⁹ Roughly consistent with DeKalb County’s current employment landscape, the State projects that 32 percent of Georgia’s new jobs will require a bachelor’s degree or higher, although that number can be expected to be larger in developed areas like Metro Atlanta. Among other notable growth projections, the Department of Labor estimates that Georgia’s manufacturing industry, which saw employment peak in 1997, will grow by 8 percent or 31,000 jobs by 2026. DeKalb, with its central location, developable land, strong

⁸ US Census Bureau, Census 2000 Summary File 3

⁹ Georgia Department of Labor, *Workforce Trends to 2026 Report*

transportation access, and other assets should be well positioned to capture the county's fair share of this growth.

Workforce Growth Projections

The Department of Labor forecasts annual projected job openings by sector for each of Georgia's counties. DeKalb is projected to see as many as 9,120 job openings per year through 2024, with roughly 2,030 of those positions driven by organic growth (i.e. not by turnover in existing positions). The projected job openings created by organic economic growth, rather than backfilling existing roles, tend to demand a broader range of skillsets and point towards the industries on the leading edge of DeKalb's economy. The limited organic growth of jobs in categories like retail, restaurants, and hospitality point towards a possible oversaturation of the DeKalb market, or reflect the county's relatively slow recent population growth.

These projected employment figures, combined with the county's (and region's) low unemployment rate and high concentration of workers aged 65 and over, indicate the need for DeKalb County to provide training opportunities that can connect existing residents to future job openings. Helping residents who would normally fill entry-level positions to access higher paying jobs in growth sectors like medical support, logistics, and light manufacturing will require training and connections – strategies to be explored in the SEDP Action Plan. The data also indicate the need to balance employment and establishment growth with new residential growth. Several initiatives aimed at coupling economic growth to housing creation, like the encouragement of transit-oriented development near MARTA stations, are already

Table 2.17: Annual Projected Job Openings, Net

	Projected Annual Openings
Office & Admin Support	1,030
Sales & Related	1,030
Food Preparation & Serving-Related	1,020
Education, Training, & Library	790
Healthcare Practitioners & Technical	630
Transportation & Material Moving	600
Management	510
Business & Financial Operations	490
Computer & Mathematical	320
Healthcare Support	300

Sources: Georgia Department of Labor; RKG Associates.

Table 2.18: Annual Projected Job Openings, Growth

	Projected Annual Openings
Education, Training, & Library	300
Food Preparation & Serving	220
Healthcare Practitioners & Technical	200
Computer & Mathematical	140
Healthcare Support	140
Office & Administrative Support	120
Personal Care & Service	110
Business & Financial Operations	90
Community & Social Service	90
Registered Nurses	80

Sources: Georgia Department of Labor; RKG Associates.

underway. Ensuring that employment growth has positive community impacts will require not only housing creation (allowed by less-restrictive zoning), but also further investment in infrastructure that will improve and preserve the county's quality of life (ie. the County's SPLOST initiative and other transportation, utilities, and amenities aimed at livability).

Table 2.19: Annual Projected Job Openings by Education Requirement

	Annual Openings from Turnover	%		Annual Openings from Growth	%
Less than high school	2,190	31%		480	24%
High school or GED	1,680	24%		280	14%
Some college/Associate's	630	9%		300	15%
Bachelor's Degree	1,550	22%		490	24%
Master's Degree or Higher	250	4%		140	7%
N/A	790	11%		340	17%
Total Projected Annual Job Openings	7,090	100%		2,030	100%

Sources: Georgia Department of Labor; RKG Associates.

DeKalb County Strategic Economic Development Plan 2024

Chapter Three: Real Estate Market Analysis

Introduction

The remarkable social and economic diversity that characterizes much of life in DeKalb County is also born out in its real estate landscape. Its unique neighborhoods are home to separate but interconnected development environments, shaped by an array of residential and commercial market forces. Understanding the county's real estate inventory and the market forces that affect it is critical to facilitating economic development. A firm may decide to move to, stay in, or grow in DeKalb County for many different reasons, but these strengths lose importance if the firm cannot find a site that is in line with its budget and needs. For this reason, local real estate trends can have an outsized impact on a community's competitive position in the eyes of businesses and residents alike.

This analysis utilized data from the DeKalb County Appraisal and Assessment Department to build a profile of the county's existing inventory of residential, industrial, and commercial properties, and how each has changed over time. Asking rents, property sale prices, absorption trends, and vacancy rates were collected from primary and secondary data sources, such as LoopNet and Jones Lang Lasalle, and used to analyze the market potential for various land use types. Interviews with local business owners and organizations, real estate professionals, elected officials and County/municipal staff members offered insights that supplemented quantitative market data.

While this chapter analyzes DeKalb County's real estate market in terms of square feet, dollar values, and other quantitative measures, many other factors contribute to a given development's impact on its community. A housing unit or commercial property's location, scale, amenities, and accessibility all matter to its long-term sustainability and value. While new real estate development can add needed customers, tax receipts, jobs and vibrancy to an area, decision makers at the County and municipal levels can help to ensure that new development is both strategic and responsible for its impacts.

Investment in both residential and commercial properties is part of any successful economic development strategy. New, refurbished, and diversely sized commercial spaces are key to attracting and retaining firms that provide employment opportunities. Just as important, however, are the addition of housing units that can house employees. Homes located closer to workplaces help to reduce traffic impacts and can ensure that workers' and their families' consumer spending is captured in the local economy.

Key Findings

- **Despite rising sale prices and asking rents, DeKalb remains the “cheapest, closest” choice for many in Metro Atlanta.** Its relative affordability, so close to central Atlanta, is an asset in trying to attract new firms and residents. Protecting this asset will require the continued creation of diverse new real estate – especially housing.
- **Development since the 2008/09 recession has increasingly concentrated in DeKalb’s cities.** Incorporated sections of DeKalb accounted for just 42 percent of the county’s housing square footage before 2008, but have built 66 percent of its new residential space since then.
- **DeKalb remains a largely low-density, suburban-style community with opportunities for strategic, catalytic infill development.** While some DeKalb communities may have few totally undeveloped or “greenfields” development sites, all have underutilized properties that can be better utilized.
- **Despite recent high-visibility projects, DeKalb has created housing at a far slower pace than its neighboring counties.** Cobb, Fulton, and Gwinnett Counties all grew their housing stock by at least double the rate seen in DeKalb since from 2010 to 2016. Unrectified, this may present a competitive disadvantage for DeKalb in trying to attract new firms and employment.
- **New multi-family development, which has clustered within the Perimeter and near transit, has added a new housing product to DeKalb’s apartment/condo inventory – and is aiming at a different portion of the market.** Location-focused, amenity-filled structures are fetching above-average rents and bear little resemblance to DeKalb’s aging multi-family stock. These structures are serving as residential anchors in new and revitalizing mixed-use centers.
- **Strong continued office development, especially in Dunwoody and Brookhaven, has benefitted from a growing Metro Atlanta market with a renewed focus on accessibility.** In the last decade, 60 percent of new Metro Atlanta office space has situated within a half-mile of a MARTA station; in DeKalb further demand can be met with strategic transit-oriented development. Across the county, opportunities exist for small-scale office upgrades and repositioning of assets for the creative industry.
- **DeKalb’s aging industrial inventory is limiting the county’s ability to grow its manufacturing, distribution, and logistics industries.** While DeKalb’s low industrial vacancy rate reflects a strong sector, other Atlanta communities have been far more proactive in attracting new inventory. New structures will be required for DeKalb to attract better-paying advanced manufacturing jobs and lucrative distribution operations.

Development Profile

DeKalb County's incredibly diverse real estate varies from granite quarries and distribution centers to high-rise offices and hospital campuses. While the county's broad geography and unique communities make summarizing its real estate performance a complex task, analyzing trends in the county's assessor's database can offer high-level insights.

The DeKalb County Appraisal and Assessment Department listed approximately 677 million square feet of built space across 240,300 properties in 2017.¹ The county's occupiable built space is split almost exactly evenly between its cities and its unincorporated areas, even though unincorporated parcels comprise nearly 57 percent of the county's developable land. This reflects a difference in density – often measured as floor-area-ratio, or “FAR²” - between DeKalb's cities and its unincorporated areas. This discrepancy has grown significantly since 2008 and reflects an increasing development trend towards DeKalb's incorporated cities.

The cities themselves have tremendous variations in development intensity. All of DeKalb is relatively low-density for a community near the center of a major metro, reflecting its history as a suburban county that has largely functioned as a “bedroom community” for the City of Atlanta. Excluding vacant and exempt properties, DeKalb's countywide FAR is 0.15, meaning the county's total built square footage is equal to just 15 percent of its ground space. In general, an FAR as low as 0.15 may make it difficult for a community to support mass transit, significant quantities of retail, restaurants, and the arts, and generally typifies an area that is car-dependent and less friendly to pedestrians. In a geography as large and diverse as DeKalb County, this is not always the case; places like Downtown Decatur, portions of Atlanta in DeKalb, and some areas of Brookhaven, Dunwoody and others are highly walkable. While still a low-density community, Brookhaven is the most densely developed of DeKalb's cities, with an FAR of 0.27, followed by Dunwoody, Clarkston, and Atlanta in DeKalb.³ Stonecrest, Pine Lake, and Tucker, the least-dense cities, have real estate densities more similar to the unincorporated portions of the county. Dunwoody is the city with the most occupiable built space; Stonecrest has the most developable acreage.

In the last decade, new development has increasingly clustered in DeKalb's cities, both in terms of assessed value and square footage constructed (Figures 3.1, 3.2). Among structures built before 2008,

Table 3.1: Density by City, 2017*

	Floor-Area-Ratio
Brookhaven	0.27
Dunwoody	0.25
Clarkston	0.24
Atlanta DeKalb	0.21
Chamblee	0.20
Doraville	0.19
Decatur	0.18
Avondale Estates	0.17
Stone Mountain	0.16
Lithonia	0.16
Tucker	0.14
Pine Lake	0.13
<i>Unincorporated DeKalb</i>	<i>0.12</i>
Stonecrest	0.12

**Excludes vacant & exempt land.
Sources: DeKalb County Appraisal and Assessment Department; RKG Associates.*

¹ DeKalb Appraisal and Assessment Department, 2017 Database

² Floor-Area-Ratio, or FAR, is defined as a property's gross built square feet as a proportion of its ground square footage. For example, a 25,000 square foot building on a 50,000 square foot property – regardless of its height - would have an FAR of 0.5.

³ Excludes vacant or exempt parcels.

the county's square footage was roughly evenly split between cities (49 percent) and unincorporated DeKalb (51 percent). From 2008 to 2012, 66 percent of new square footage was built in DeKalb's cities, and since the beginning of 2013, cities have hosted a dominant 74 percent of new square footage.⁴ This trend indicates several market factors at play. It runs counter to the notion, often heard in public meetings, that DeKalb's denser cities are "built out" and that development can only take place in less-dense or unincorporated areas. Conversely, investors' dollars are flowing to denser communities, often in spaces with transit access, walkable streets, and mixed-use development patterns. The heightened marketability of these spaces is further illustrated by the fact that developers are not simply building more square footage there – they are building at higher values per square foot as well. Fifty-four percent of the county's pre-2008 real estate value was clustered in cities. Among buildings built since 2013, those in cities account for 77 percent of the county's assessed value.

Figure 3.1: Share of Built Square Footage

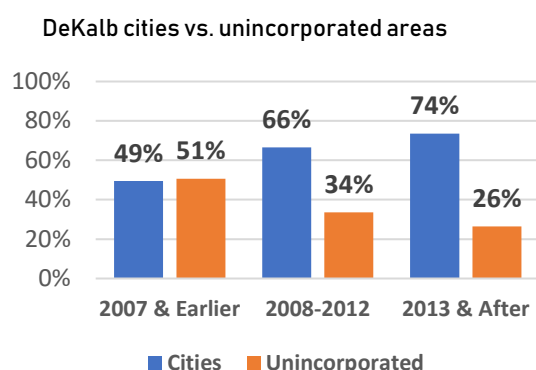
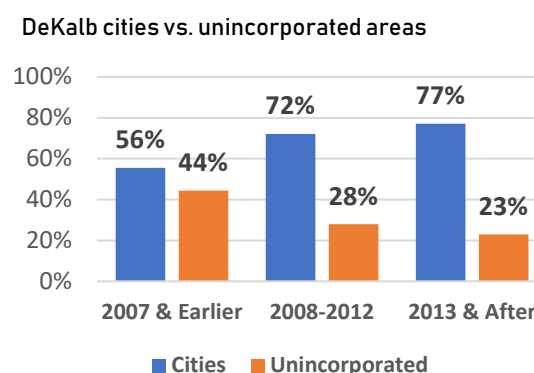


Figure 3.2: Share of Assessed Value



These figures bear out a notable change in the types of projects that have taken root in DeKalb since the Great Recession, especially high-value commercial office space and denser multi-family residential projects. New apartment and condominium developments are adding a new product to DeKalb's housing inventory. Location-centric, high-quality, and amenity-filled multi-family buildings stand in stark contrast to many of the lower-budget structures that until recently characterized DeKalb's multi-family stock. New office development, notably in the Perimeter Center area of Dunwoody and Brookhaven, has been larger and denser than in years past, and often with added emphasis on transit access. Together these market trends have led to denser and higher-value recent development patterns across nearly all land uses.

⁴ Note that calculated square footage in DeKalb cities includes all structures within incorporated cities as of February 2019, regardless of when the city was incorporated.

As mentioned, these trends are likely being affected by a renewed interest in transit access. Cushman & Wakefield, a real estate services firm, released a 2018 report that investigated the region's recent increase in transit-oriented density, calling Metro Atlanta's appetite for new development near MARTA stations "insatiable." According to the report, "the number of new residential units within half a mile of MARTA stations has more than tripled inventory growth elsewhere" over the last decade across Metro Atlanta.⁵ It also noted that more than 60 percent of the region's new office space is occurring within a half-mile of MARTA stations, and posited that "a city so long associated with sprawl has turned a corner" towards more sustainable development approaches.⁶ Cushman & Wakefield's report cited Trackside at Chamblee Station, Avondale Station, and other in-progress DeKalb projects as examples of new TOD.

Table 3.2: Floor-Area-Ratio Trends by Land Use

	2007 & Earlier	2013 & Later
Total Development	0.14	0.50
Commercial	0.20	0.61
Industrial	0.22	0.19
Multi-Family Residential	0.31	1.26
Single-Family Residential	0.12	0.36
Municipal / Exempt	0.06	0.99

Sources: DeKalb County Appraisal and Assessment Department; RKG Associates.

DeKalb's increasing density is also being driven by commercial development that has taken on new, denser forms. This added square footage is having an effect on the county's overall balance between residential and commercial uses; while most of DeKalb's working age residents still leave the county for employment (see Chapter Four), the county is slowly losing its "bedroom community" reputation from a real estate perspective. Commercial projects have played an increasing role in new development since at least 2008. Since 2013, 33 percent of newly built value in DeKalb's cities has been in commercial structures; that figure was just 26 percent for buildings built before 2008. In unincorporated DeKalb, the jump has been even greater for commercial development, from just 11 percent of built value before 2008 to 28 percent since 2013.

⁵ Cushman & Wakefield: "The Growing MARTA Market," 2018.

⁶ Ibid

While residential uses of all types have been built at a greater average density since 2013, multi-family development accounted for a smaller share of development from 2013 to 2017 than in 2008 to 2012, reversing a trend in which single-family home construction played a shrinking role. A continued shift back towards new single-family housing will likely exacerbate the county's housing development deficit relative to its peers (see Part 4 of this chapter).

Table 3.3: Share of Built Value by Period Built

	2007 & Earlier	2008 – 2012	2013 & Later
Single-Family Residential	67%	40%	47%
Multi-Family Residential	13%	34%	16%
Commercial & Industrial	19%	26%	32%
	100%	100%	100%

Sources: DeKalb County Appraisal and Assessment Department; RKG Associates.

Residential Analysis

Key Findings

- **Housing costs vary significantly among the county's communities, but DeKalb remains a relatively affordable alternative among inner-Metro Atlanta counties.** Residents across the income spectrum may see DeKalb as the "cheapest, closest" option to jobs in Atlanta.
- **Despite a recent uptick in new housing development, DeKalb's housing stock has not kept pace with population growth.** From 2010 to 2016, the county added just 5,259 housing units for its 32,000 new residents. Its meagre 1.7 percent growth in housing was half the state's growth rate and roughly one-third of Fulton County's.
- **Rents are on the rise, indicating a strong market - but the county vacancy rate remains stubbornly high.** Together these measures suggest that market demand is being served by DeKalb's newest units, while portions of its aging housing stock have fallen into disrepair and are not attracting new residents.
- **New multi-family development is aimed at a different market than DeKalb's traditional multi-family product.** Traditionally worth significantly less than single-family homes on a per-square-foot basis, new multi-family product is offering higher-value options that are approaching single-family costs per square foot.
- **New residential development has been at higher densities since 2010, in both multi-family and single-family projects.** New single-family structures built since 2013 have been at three times the density (FAR) of those built before 2008. Multi-family densities have quadrupled, shifting from mostly sprawling two- and three-story apartment complexes to five- and six-story mixed-use structures.
- **Significant infill opportunities exist throughout the county, including in-demand, transit-oriented locations.** MARTA and other public stakeholders own critical pieces of land that could accommodate hundreds of units, improving residents' access to jobs and services.

Existing Housing Stock Characteristics

DeKalb's housing inventory consisted of an estimated 307,255 units at the end of 2016.⁷ Only Fulton County had a larger housing stock within Metro Atlanta. In the period from 2010 to 2016, DeKalb saw a net gain of 5,259 housing units, or 1.7 percent growth. The county's addition of 32,000 new residents over the same period meant that its housing supply tightened significantly. While Cobb, Fulton, and Gwinnett counties also saw housing growth well short of their respective population growth rates, each added homes at more than twice the rate of DeKalb County. Georgia as a whole added 3.4 percent to its housing stock during the same period.

There are likely several reasons for DeKalb's slow rate of housing growth. The county is home to a substantially older housing stock than peers in Cobb and Gwinnett counties, meaning there are relatively fewer greenfield development opportunities. Many of DeKalb's highest-value locations have had low-density structures on them for decades; while many are better-suited for denser uses, redevelopment can be politically and financially challenging. Zoning and other use restrictions have also put a significant damper on the housing supply. Cities like Tucker have passed zoning rules that make it financially infeasible for many developers to build higher-density housing. Restrictions often aim to exclude denser multi-family developments in the name of preservation, while simultaneously pushing away homes for new workers, added tax revenue, and a concentrated boost to local spending power.

Table 3.4: Housing Vacancy Rates

	2010	2016
DeKalb	11.0%	11.8%
Cobb	9.3%	7.2%
Fulton	14.1%	14.4%
Gwinnett	8.0%	6.6%
Georgia	12.5%	13.1%

Sources: US Bureau of Labor Statistics, Annual Employment Averages;
RKG Associates.

New multi-family development and a lack of investment in older, vacant residential properties has resulted in a consistently high vacancy rate, despite a strong regional housing market. DeKalb's vacancy rate increased from 11.0 to 11.8 percent from 2010 to 2016⁸, due to a weak market and deferred maintenance issues in some areas of DeKalb. As noted in section 3 of this chapter, much of the new multi-family development seen in DeKalb since the Great Recession has aimed at a significantly different portion of the market than traditional multi-family homes and has situated in locations with strong multimodal transportation access. New residents have shown a strong preference for these newer structures, suggesting that DeKalb's vacant units are not competitive alternatives for the newly-built ones. Furthermore, strong residential development throughout the inner Metro Atlanta region has provided potential residents with options outside DeKalb, making the county's less-desirable properties more vulnerable to vacancy.

The mismatch between demand at the high end of the market and inactivity at the lower end reflects the market disparities in the county's different communities, and across price points and income levels. Land

⁷ US Census American Community Survey, 2012-2016 5-Year Estimates

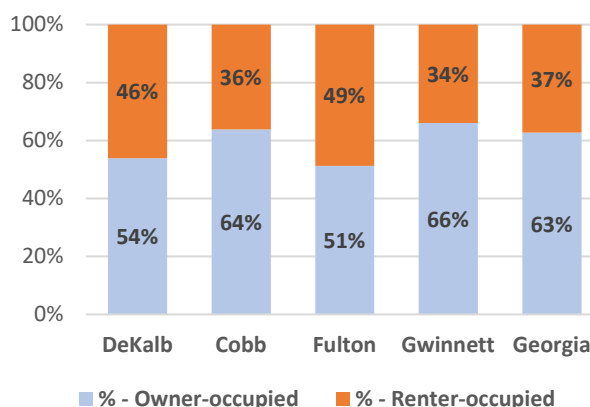
⁸ US Census Bureau, American Community Surveys, 2012-2016 5-Year Estimates.

values in Decatur, Dunwoody and elsewhere are driving developers and investors to place multi-million-dollar bets on their continued success. In more economically challenged areas, a lack of market demand (and capital) has led to both multi-family developments and single-family homes in various states of disrepair, with few near-term prospects for shifting demand.

Among “suburban” Atlanta counties, DeKalb County is home to a relatively diverse housing stock, with a strong mix of owner- and renter-occupied housing. DeKalb is a majority owner-occupied county, as 54 percent of households own the home they live in. The 46 percent of households that are renters is a higher proportion than in Cobb or Gwinnett counties, or Georgia as a whole. Communities across the country are experiencing a shift towards more rental housing, reflecting a number of societal and economic trends including slow wage growth. DeKalb is no exception, as rental housing’s role has grown since 2010, when it

accounted for just 43 percent of the total. DeKalb does, however, differ from its peers in that much of its growth in renter-occupied stock seems to have come at the expense of new owner-occupied units. Where other counties have seen relatively stronger housing creation rates, DeKalb’s meager 1.7 percent housing unit growth rate is the result of a 6.5 percent increase in rental units, but a 5.5 percent *decrease* in owner-occupied units from 2010 to 2016. This is likely the result of two trends: 1) many single-family ownership homes were converted to rental units, especially in lower-income portions of the county, and 2) the majority of the county’s 3,200-unit increase in vacant housing was driven by an aging owner-occupied stock, often the result of foreclosures.

Figure 3.3: Housing Stock by Tenure



DeKalb’s housing diversity also manifests itself in the mix of single-family and multi-family housing, and in the number of units in multi-family structures. Single-family detached homes comprise 56 percent of DeKalb’s housing stock, down slightly from 57 percent in 2010. The relatively high percentage of homes that are in multi-family structures is part of what makes DeKalb’s perhaps the “most urban suburban” county in Metro Atlanta. Nearly 20 percent of DeKalb homes are in structures with between 5 and 19 units; these mid-sized multi-family buildings are often part of market-affordable, aging developments along corridors like Buford Highway. These tend to play a large role in housing lower- and middle-income immigrant households, among others. A growing number of homes are situated in buildings with 50 or more units, as communities like Dunwoody, Brookhaven, Decatur and others have increased efforts to add density near transit stations and mixed-use districts. More than 6,600 of these units were added from 2010 to 2016. While that number is set to grow as more new projects came online in 2017 and 2018, it still represents a relatively small share of Metro Atlanta’s growth in apartments and condominiums, which added more than 22,000 multi-family units in 2017 and 2018 alone.⁹

Table 3.5: Housing Stock by Tenure

	Units	%
1-Family, Detached	172,509	56%
1-Family, Attached	19,893	6%
Duplex	3,648	1%
3 or 4 units	13,413	4%
5 to 9 units	27,540	9%
10 to 19 units	30,356	10%
20 to 49 units	17,973	6%
50 or more units	20,197	7%
Mobile home	1,624	1%
Boat, RV, van, etc.	102	0%

Sources: DeKalb County Appraisal and Assessment Department; RKG Associates.

Despite this uptick in new housing construction, DeKalb’s inventory remains Metro Atlanta’s oldest. Nearly 50 percent of all units were built before 1980, and 65 percent before 1990. Fulton County, for comparison, has the area’s largest historic (pre-1960) housing stock (18 percent), but also boasts a large, newer inventory – more than 27 percent of all units have been built since 2000, compared to 19 percent in DeKalb. In late-developing Gwinnett, just 16 percent of homes existed before 1980; a massive 61 percent of units have been built since 1990.

DeKalb’s relatively old housing stock has numerous consequences. First, it means that many of the county’s most desirable locations (typically nearer to Downtown Atlanta) were developed in line with the real estate priorities of the time. In the case of the 1960s, 70s, and 80s, when 49 percent of DeKalb’s homes were built, this meant auto-oriented, single-use, low-density residential areas. As the highest-value land was developed for mostly spread-out single-family homes, it left behind relatively fewer opportunities for future construction. This means that today, constructing new housing, commercial spaces, retail and cultural amenities in the most competitive locations require reworking of already-developed land—a far more complicated process than most greenfield developments. In other areas of DeKalb, aging residential structures may be falling into disrepair because attainable rents or sale prices are too low to justify investment in upkeep or improvements. These properties tend to be outside the Perimeter and in areas not well served by transit and/or amenities. In many cases, this has led to long-

⁹ CBRE 2018 SEOR Atlanta Multi-Family Market Outlook Report

term vacancies, highlighting the county's large differences in market demand from community to community.

Residential Analysis **Development Trends**

DeKalb County's trend towards relatively denser development patterns is born out in several land uses, but particularly among new residential developments. As shown in Table 3.2 (on a previous page), the average single-family home built since 2013 had exactly triple the FAR of the average single-family home built before 2008; new multi-family homes were built at over four times the density of older ones.¹⁰ These higher-density residential units, particularly those in multi-family structures, represent a change in consumer preferences versus those when new homes were, on average, less densely-situated. New multi-family developments in DeKalb and elsewhere in Metro Atlanta tend to be aimed at the high end of the local market, with rents and sale prices per square foot that are not substantially lower (if at all) than the single-family homes that have long been a costlier housing option. Historically, the average square foot of single-family housing in DeKalb was worth 34 percent more than the average square foot of multi-family housing. In development since 2013, that gap has closed to a mere 8 percent.¹¹ Premium finishes, shared amenities like pools, workout facilities, greenspace, and 24-hour security and concierge services make clear that new apartment and condominium buildings have little in common with multi-family structures built in previous decades. Investors are likely finding a strong market among young professionals and families, as well as "empty nesters" or retired couples who place a high value upon location and services – and relatively less value on living space or a yard.

Large apartment and condominium developments (here defined as those delivering 200 or more housing units) have concentrated within the Perimeter and near MARTA stations during the current economic expansion. From 2013 to 2017 Brookhaven alone added at least four large new developments that provided nearly 1,200 units.¹² In some cases these projects were built as anchors of mixed-use communities, placing hundreds of new residents within walking distance of shops, restaurants, and other amenities that stand to benefit greatly from their presence. In others, projects were built in less vibrant spaces, instead boasting easy highway access to Atlanta proper; one, TwentyNine24 Brookhaven Apartments, added 353 units on a highly car-dependent, heavily wooded parcel next to I-85. Future redevelopment of the adjacent Century Center area may one day place TwentyNine24 near a mixed-use community, but not in the near-term.

¹⁰ DeKalb Appraisal and Assessment Department, 2017

¹¹ RKG Associates analysis of DeKalb Appraisal and Assessment Department 2017 Data

¹² DeKalb County Appraisal and Assessment Department, 2017

Table 3.6: Large Apartment Projects, 2013 or Later

Selected projects, over 200,000 SF of occupiable space

Development	Address	Total Square Footage
TwentyNine24 Brookhaven Apts	2940 Clairmont Rd., Brookhaven	563,467
1105 Town Brookhaven Apts	1105 Town Blvd., Brookhaven	511,694
The Kirkwood Apts	71 Howard St., Atlanta	479,280
Point on Scott Apts	2532 N Decatur Rd., Unincorporated	447,283
Reserve Decatur Apts	2600 Milscott Dr., Unincorporated	395,735
Green Park Apts	2037 Weems Rd., Tucker	380,515
@1377 Apts	1377 Dresden Rd., Brookhaven	378,404
Seven by Cortland Apts	7 Executive Park Dr., Brookhaven	361,944
Spoke ATL Apts	1450 La France St., Atlanta	334,127
The Place on Ponce Apts	220 Ponce de Leon Place, Decatur	244,293

Sources: DeKalb County Appraisal and Assessment Department; RKG Associates.

Residential Analysis

Housing Sales Trends

While still providing a more affordable alternative for many potential homebuyers, DeKalb has closed the gap in median home prices versus Cobb and Gwinnett Counties since the Great Recession. The median home in DeKalb County sold for \$204,820 in the first ten months of 2018 (including both condominiums and single-family homes). While still the lowest of the four peer Metro Atlanta counties studied, DeKalb has grown closer to median sales prices in Gwinnett County, behind which DeKalb County's sales have lagged since at least 1996, when data became available.¹³ The closing of this gap represents a significant change in how DeKalb's homes are valued relative to those in neighboring counties – especially at the high end, in places like Decatur, Brookhaven, Atlanta in DeKalb, and western portions of unincorporated DeKalb. An increasing demand for quick access to vibrant neighborhoods, Atlanta proper, and the employment centers concentrated along I-285, coupled with strong or improving schools, may be driving DeKalb's rising median sale price relative to Cobb and Gwinnett Counties.

New construction in both DeKalb and Gwinnett Counties has played a role in this role-reversal. DeKalb's recent investment in new housing has been driven by relatively high-value multi-family buildings and top-tier single-family homes. Gwinnett, meanwhile, has translated its reputation as a desirable but inexpensive place to own a home into a haven for lower- and middle-income homebuyers, according to interviews with real estate professionals. Many of these are likely first-time purchasers or immigrants.

Figure 3.4: Median Home Sale Price Trends

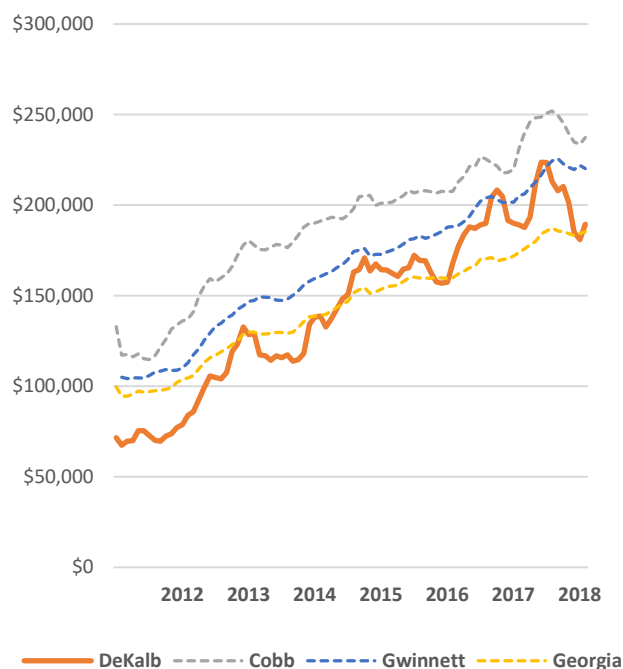


Table 3.7: Median Home Sale Prices

2018

	Median Sale Price*	2-Year % Growth**
DeKalb	\$204,820	22.6%
Cobb	\$243,980	17.1%
Fulton	\$247,040	11.8%
Gwinnett	\$220,660	19.7%
Georgia	\$184,580	15.2%

Sources: Zillow Median Home Sales Prices, Seasonally-Adjusted, October 2018; RKG Associates.

*2018 Median Sale Price may not match data shared in September 2018 Open House presentation due to incorporation of new data.

**2018 Average of Monthly Medians vs. 2016 Average of Monthly Medians, through October 2018

¹³ Zillow Median Home Sales Prices, Seasonally-Adjusted, August 2018

The Zillow Home Value Index (ZHVI) provides another perspective on DeKalb's shifting real estate market. The ZHVI is a seasonally-adjusted estimate of the median home value for a given geography. This can differ from median home sale price data for several reasons. For one, the ZHVI attempts to capture the value of *all housing units*, not just the those that are bought and sold each year. Sales data tends to bias towards the high end of the market; more sales typically take place in higher-value locations, where higher-value homes are built – ignoring the market values of lower-value homes that tend to see less investment and trade hands less frequently. Given DeKalb's relative prevalence of long-term vacant, disinvested, and other low-value residential properties, DeKalb's progress versus other counties is less pronounced in the ZHVI. The median estimated single-family home value in DeKalb in January through November 2018 was \$189,127, a full 36 percent below the Cobb County median and 16 percent below Gwinnett's. It is notable that from 1996 until the financial crisis in 2008, DeKalb's median single-family home value was, while the lowest of the four peer Metro Atlanta counties, greater than the Georgia median. That relationship flipped with the economic downturn, as DeKalb's median single-family home value was less than Georgia's from 2008 well into 2015. In the years since, DeKalb has surged back ahead of the state median, and has grown more rapidly since, partially closing the recent gap with Gwinnett County as seen in the sales data.

Table 3.8: Median Home Values

Single-family homes only

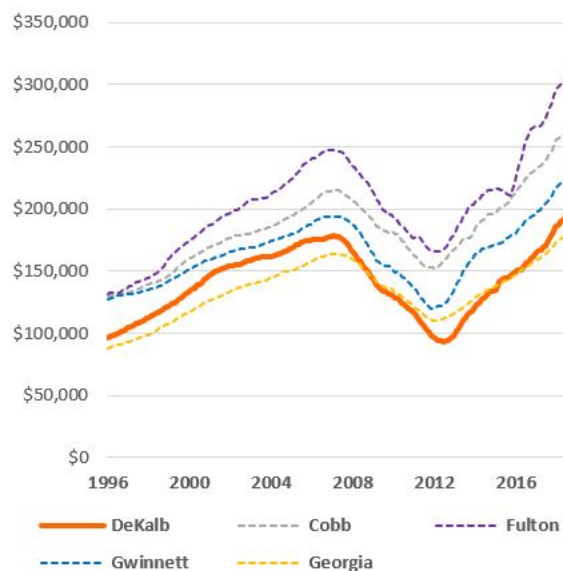
	2018 Median 1-Family Home Value	2-Year % Growth*
DeKalb	\$189,127	24.3%
Cobb	\$257,564	18.0%
Fulton	\$299,327	25.8%
Gwinnett	\$220,164	18.8%
Georgia	\$176,073	17.5%

Sources: US Census, Census 2010 and American Community Survey 2012-2016 5-year Estimates; RKG Associates.

*2-Year Growth measures Average 2018 ZHVI thru November 2018 vs. Average 2016 ZHVI. Seasonally adjusted.

Figure 3.5: Median Home Value Trends

Single-family homes only



DeKalb's median condominium value is also on the rise, finally surging above its pre-recession high in mid-2017. The median condominium value in DeKalb in the first 11 months of 2018 was \$153,255.¹⁴ Since the recession, condominium values in Fulton, Cobb, and DeKalb counties have mostly moved in tandem, with similar year-on-year growth rates of around 10 to 12 percent.¹⁵ This likely reflects the fact that most

¹⁴ Zillow Home Value Index Condo/Co-op Time Series August 2018

¹⁵ ZHVI values for Gwinnett County condominiums were not reported by Zillow.

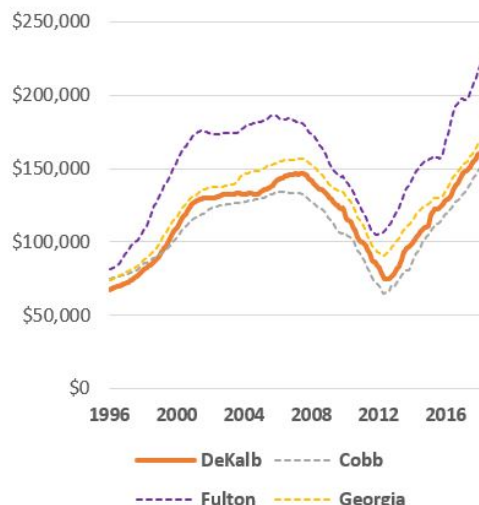
condominium sales in the last five years have been in newly-constructed buildings, which tend to be similarly-finished, high-amenity projects, with somewhat limited, location-based differentiators.

Table 3.9: Median Condominium Values

	2018 Median Condo Home Value	2-Year % Growth*
DeKalb	\$153,255	24.0%
Cobb	\$153,255	25.7%
Fulton	\$221,691	24.7%
Gwinnett	Unavailable	-
Georgia	\$170,555	22.3%

Sources: US Census, Census 2010 and American Community Survey
2012-2016 5-year Estimates; RKG Associates.
*2-Year Growth measures Average 2018 ZHVI thru November 2018
vs. Average 2016 ZHVI. Seasonally adjusted.

Figure 3.6: Median Condominium Value Trends



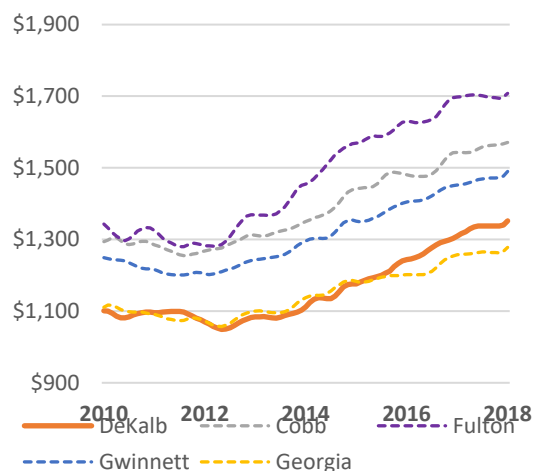
The rate and number of overall home sales in DeKalb County have remained steady since the economic recovery began in 2011, averaging 1,744 transactions per month since August 2011. This is nearly identical to Gwinnett’s average of 1,786 per month and greater than the 1,522 per month seen in Cobb County.

Residential Analysis

Housing Asking Rent Trends

As with for-sale housing, DeKalb remains a relatively affordable option for renters within the Metro Atlanta market. Through November 2018 the median asking rent in DeKalb was \$1,337 per month across all unit types, according to the Zillow Rental Index (ZRI).¹⁶ Just over the border in Fulton County, the median asking rent reached \$1,700 per month. Under the typical assumption that a household is “housing cost burdened” if it spends 30 percent or more of their monthly pre-tax income on housing, the DeKalb median rental would require an annual salary of \$53,480, while the Fulton County median would require at least a \$68,015 salary. This additional cost is beyond the means of many in Metro Atlanta and especially in DeKalb, where incomes have historically trailed those of neighboring counties. These figures underscore both the *advantage* that DeKalb’s affordable housing stock provides in attracting new residents, and the

Figure 3.7: Median Asking Rent Trends



¹⁶ Zillow Rent Index (ZRI) is a “smoothed measure of the median estimated market rate rent across a given region and housing type. ZRI is a dollar-denominated alternative to repeat-rent indices.”

imperative that the county do all it can to maintain a mix of diversely priced rental housing as it grows.

Residential Analysis Development Pipeline

Permitted and under-construction multi-family projects across DeKalb County make clear that the demand for new, amenity-filled units in strategic locations remains strong. High profile “mega projects” like Perimeter Center’s High Street Atlanta and Doraville’s Assembly Yards will be anchored by hundreds of new units, most likely at the top levels of DeKalb’s rent ranges. Smaller but well-situated projects like the Oleander in Brookhaven and the Avondale Station-adjacent Cortland Decatur East also will play important roles. Adaptive re-use of abandoned or underutilized buildings may bring new housing activity to long inactive portions of the county.

In 2017 and 2018, thousands of building permits were issued for single-family and multi-family units across DeKalb. While each project can have an impact on meeting the community’s housing needs, a review of some of the highest-value, potentially transformative projects offers insight on where investment is headed. The following have received coverage in local media, and their statuses in early 2019 range from simple “expressions of interest” to being under construction:

High Street Atlanta

- City: Dunwoody
- Employment Center: Perimeter Center
- MARTA Station: Dunwoody
- Units: 3,000 units
- Status: Phase One approved, on hold
- **Notes:** Billed as a “city within a city,” the planned High Street Atlanta would bring 1,500 apartments and 1,500 condominiums to Perimeter Center. They are intended to provide a customer base for 400,000 square feet of retail, and to house some of the workers that will fill a further 400,000 square feet of office space. The long-proposed project’s first of three phases is due to begin construction in 2019. It is not currently clear how the project’s phases will be affected by Dunwoody’s six-month multi-family moratorium, which was passed in November 2018.¹⁷ The project would seek to build a “10-block pedestrian-friendly grid” in a district that today struggles with walkability.

Render: GID via Curbed Atlanta

Table 3.10: Median Asking Rents

	2018 Median Monthly Asking Rent	2-Year % Growth*
DeKalb	\$1,337	10.1%
Cobb	\$1,558	5.9%
Fulton	\$1,700	6.1%
Gwinnett	\$1,470	6.5%
Georgia	\$1,265	5.8%

Sources: Zillow Median Rental Index by County; RKG Associates.
*2-Year Growth measures average 2018 monthly median rent thru November 2018 vs. Average 2016 monthly median rent. Seasonally adjusted.



¹⁷ <https://atlanta.curbed.com/2018/11/26/18112347/dunwoody-apartment-condo-development-moratorium>

Park at Perimeter Center East

- City: Dunwoody
- Employment Center: Perimeter Center
- MARTA Station: Dunwoody
- Units: 900 condominiums
- Status: Approved October 2018
- **Notes:** After reducing its residential program from 1,200 apartments to 900 condominiums, developer Grubb Properties' Park at Perimeter Center East was approved to begin construction in 2019.¹⁸ The mixed-use project will replace acres of parking lots with 500,000 square feet of office, three acres of greenspace, 12,000 square feet of retail, and for-sale townhomes in addition to four condo towers.

Assembly Yards

- City: Doraville
- Employment Center: I-85 & I-285 Cluster
- MARTA Station: Doraville
- Units: *Unclear - 1.3 million sf of multi-use space to be delivered by mid-2020*
- Status: Portions under construction
- **Notes:** Assembly Yards will rise on the 165-acre former GM plant property, adjacent to the Doraville MARTA station. Already home to Third Rail Studios and the forthcoming, 500-employee Serta Simmons headquarters, the project may add as much as 10 million square feet of mixed-use, transit-oriented space over the next decade-plus.

Render: The Integral Group via Curbed Atlanta



Kensington Station TOD

- City: Unincorporated DeKalb
- Employment Center: Kensington Station
- MARTA Station: Kensington
- Units: 244 proposed
- Status: Proposed
- **Notes:** MARTA is actively seeking developers to build on its undeveloped parcel immediately adjacent to Kensington Station. In early 2019, the transit agency's Request for Proposals (RFP) for the site reportedly closed without any responses.¹⁹ A separate proposal for a 244-unit

¹⁸ <https://atlanta.curbed.com/2018/10/19/17996784/dunwoody-planning-commission-900-condos-perimeter-otp-development-density>

¹⁹ Keenan, Sean. "Renderings: How MARTA's next mixed-use venture could look." *Curbed Atlanta*. 20 Dec 2018.

development called “Phoenix Landing” has been submitted by a Louisville-based architecture firm.²⁰ It had not been accepted nor approved at the time of writing but indicates the site’s high level of market potential.

Cortland Decatur East

- City: Unincorporated DeKalb
- Employment Center: Downtown Decatur, Medline / Scottdale
- MARTA Station: Avondale
- Units: 377 apartments, 92 age-restricted apartments, 32 condominiums
- Status: Under construction
- **Notes:** A five-story, transit-oriented project near the Avondale station, Cortland Decatur East will offer affordable rental apartments to those 62 and older.²¹ Market-rate apartments and retail space are also included.

Render: Cortland Decatur East



1200 Ponce Adaptive Re-use Project

- City: Decatur
- Employment Center: N/A
- MARTA Station: N/A
- Units: 51 condominiums/townhomes
- Status: First phase under construction
- **Notes:** 1200 Ponce will feature the adaptive re-use of a 1954 church complex as well as the construction of several new buildings.²² The property abuts the DeKalb/Fulton County line in Druid Hills. While in a highly desirable neighborhood, the site is a full 1.3 miles from the nearest MARTA station at Edgewood-Candler Park. The project may be closely watched by communities evaluating how to convert underutilized municipal or religious structures; 1200 Ponce has not been without controversy, as it displaced a preschool.²³



Image: Minerva Homes via Curbed ATL

²⁰ Studio A Architecture. *studioaarch.com*

²¹ *cortlanddecatureast.com*

²² Green, Josh. “Conversion of 1950s Ponce church to upscale condos, townhomes roars ahead.” *Curbed Atlanta*. 21 Nov 2018.

²³ Green, Josh. “Atlanta church preschool is ‘latest victim’ of ‘condo invasion.’” *Curbed Atlanta*. 6 Oct 2018.

Conversion of Former Presidential Hotel Property

- City: Unincorporated DeKalb
- Employment Center: I-85 & I-285 Cluster
- MARTA Station: N/A
- Units: 51 condominiums/townhomes
- Status: First phase under construction
- **Notes:** Abandoned since 2012 and in severe disrepair, the former Presidential Hotel tower received permits in 2018 for its conversion into a senior living community with “hundreds” of residential units.²⁴ The project would also include a new 12-story building adjacent to the existing 15-story structure. At least one DeKalb County commissioner opined that the property’s refurbishment would enable additional economic development in the area.²⁵ The site is directly adjacent to the “Spaghetti Junction” of I-285 and I-85, two highways that limit walkability in a highly car-dependent area.



Image: Sheednomics Blog via Curbed ATL

Oleander Brookhaven

- City: Brookhaven
- Employment Center: North Druid Hills / Briarcliff
- MARTA Station: N/A
- Units: 348 apartments
- Status: First phase under construction
- **Notes:** Oleander will be national developer Toll Brothers’ first Atlanta-area project, situated directly adjacent to I-85 and across North Druid Hills Road from the new \$2 billion CHOA campus. The property will deliver luxury amenities like a “resort-style pool... fitness center... dining room, lush courtyards and more,” according to a press release.²⁶



Image: Toll Brothers Apartment Living via Curbed ATL

²⁴ Kahn, Michael. “Spaghetti Junction eyesore to become senior housing development?” *Curbed Atlanta*. 26 Jan 2018.

²⁵ Murphy, Adam. “Rundown building to become first-class landmark in DeKalb County.” *CBS 46 Atlanta*. 24 Jan 2018.

²⁶ Keenan, Sean. “More posh rentals head to Brookhaven, as Toll Brothers makes Atlanta debut.” *Curbed Atlanta*. 10 Apr 2018.

Residential Analysis

Conclusions

DeKalb County is well-positioned to take advantage of Metro Atlanta's hot housing market. Its MARTA stations and recent efforts to create vibrant, pedestrian-friendly districts have spurred new projects and interest from developers across the spectrum. New luxury construction, age-restricted housing, adaptive re-use projects, and mixed-income projects are all helping to grow DeKalb's housing diversity – an asset that has historically enabled the county's uniquely diverse population. Developers of new multi-family and single-family homes alike have clearly seen in it in their best interest to build at higher densities than DeKalb's traditional residential stock. City and County officials should encourage this and make strategic zoning revisions to enable further dense development, especially near train stations and mixed-use districts. This is particularly important given the findings of the socioeconomic analysis, which shows job growth projected to outpace population growth, with a large portion of the county's labor force near retirement age.

In portions of the county that have struggled to attract new housing investment, officials should consider actions that aim to attract a critical mass of jobs to the area. These may include changes to zoning or incentives, investment in infrastructure, or more aggressive marketing and outreach to prospective firms. If successful, new jobs can create additional demand for housing, retail and amenities – which in turn can attract more jobs.

Industrial Analysis

Key Findings

- **DeKalb's industrial real estate market remains strong in 2019, but continues to be defined by "legacy" industries like low-tech manufacturing and distribution.** Vacancy rates are below the Metro Atlanta average, but demand has not translated into new construction that would be needed to support higher-tech industries.
- **A large portion of the county's industrial building stock is older, and has limited the types of firms that would be willing to locate in DeKalb.** With an average age of 40 years old, there are very few opportunities for advanced manufacturing or high-tech supply chain firms to locate in DeKalb without building their own facility from the ground-up.
- **DeKalb has missed out on Metro Atlanta's largest distribution center construction boom in decades.** 18 million square feet of industrial space – mostly distribution centers – was under construction in mid-2018 across Metro Atlanta, with very little locating in DeKalb County.
- **While new development will be critical to spurring a next generation of DeKalb industrial firms, precautions should be taken to protect existing industrial clusters.** As DeKalb's residential and commercial markets surge, they may exert upward pressure on property owners who would consider redeveloping industrial land for other uses. In some locations this may make sense, but in others a change of use may have profound secondary effects on the county's economic diversity.

Industrial Analysis

Development Trends

The 2016 DeKalb Industrial Land & Economy Study issued a warning that most of the county's industrial space was "too old to accommodate modern industry."²⁷ This remains the case in 2019. As other Metro Atlanta communities are seeing a rush of investment in multi-million square foot industrial facilities, DeKalb's total industrial inventory was just 4.83 million square feet at the end of 2017 – less than one percent of its total built stock.²⁸

DeKalb's lack of recent industrial development is reflected in the existing inventory's average age: 40 years. From 2013 to 2017 the county added just 90,700 square feet of industrial space, less than one percent of the total square footage of all land use types developed in the county during that period. While millions of square feet of distribution and warehousing facilities are coming online across Metro Atlanta, new warehouse construction in DeKalb from 2013 to 2017 was limited to self-storage facilities. While these can provide increased property tax revenue with very little public service spending needed, they also provide relatively few jobs or secondary economic benefits. Perhaps the most notable new "industrial" structure built in DeKalb in the last five years is the 63,000 square foot EGL Genetics Laboratory in Tucker. The \$22 million space's development was facilitated by Decide DeKalb, and created an estimated 78 new jobs,²⁹ with plans for further expansion.³⁰

While their emergence in DeKalb County has been somewhat limited, "makerspaces" have helped drive other communities' innovation economies while occupying smaller-scale industrial spaces. Makerspaces are typically shared or co-working facilities that host innovative entrepreneurs and manufacturers operating at the "nano-scale." By providing these budding industrial firms with space when they would otherwise be unable to afford to rent or buy a facility of their own, communities are helping to launch firms that subsequently may choose to locate and grow there. According to Decide DeKalb, the county was home to 13 makerspaces in 2019. One notable DeKalb County makerspace is Decatur Makers, at 605 West Ponce de Leon Avenue, just west of Downtown Decatur. Housed in a former outbuilding of the adjacent First Christian Church, Decatur Makers offers an innovative example of transformative, small-scale reinvention of underutilized spaces. While not in DeKalb, nearby Roswell is in the process of converting a former fire station to the 4,200 square foot Roswell Firelabs, a non-profit makerspace.³¹

Industrial Analysis

Market Performance

Given the scarcity of new industrial development in DeKalb, continued low vacancy rates indicate a strong base level of demand. Industrial vacancy in DeKalb areas like the I-20 East corridor were reported to be as low as 4.7 percent in 2018, below the Metro Atlanta vacancy rate of 7.2 percent.³² However, negative absorption of over 140,000 square feet in the I-20 corridor over the first six months of 2018 points towards

²⁷ DeKalb County Industrial Land & Economy Study, August 2016. Georgia Tech College of Design.

²⁸ DeKalb Appraisal and Assessment Department, 2017

²⁹ Decide DeKalb Development Authority 2015 Annual Report

³⁰ *Atlanta Journal Constitution*. <https://www.ajc.com/news/local-govt--politics/genetics-company-plans-move-into-tucker/nJSP14GBbDHDxhrOoWHsaO/>

³¹ roswellfirelabs.com

³² JLL Q2 2018 Industrial Insights Report, Metro Atlanta

a continued mismatch between the industrial space being demanded by growing firms and the available inventory in DeKalb.

Asking prices vary significantly by geography. According to a non-scientific review of online listings, Stone Mountain Industrial Park had the most active listings in September 2018, and an average asking price mostly in line with the county average of \$62 per square foot. Doraville and Northlake’s smaller industrial sites, with direct access to I-85 and more sought-after land, have significantly higher-than-average asking prices on a per-square foot basis. The average listing in Doraville and Northlake was for just 16,020 square feet. Lithonia and Stonecrest, conversely, are in the least-expensive and least-dense portions of the county and have correspondingly affordable asking prices and larger average floorplates. These sites, with close access to I-20, should be at the center of any strategy to increase the county’s employment in logistics, distribution, and advanced manufacturing.

Table 3.11: Survey of Industrial Listings for Sale

September 2018

Non-scientific review of online listings

	DeKalb Total	Stone Mountain Ind. Park	Lithonia / Stonecrest	Doraville / Northlake
Avg. Asking Price/SF	\$62.20	\$58.40	\$43.88	\$124.53
Avg. SF/Listing	27,126	33,920	24,115	16,020
Avg. Year Built	1978	1976	1987	1985

Sources: Loopnet; RKG Associates.

Similar to DeKalb’s for-sale industrial properties, rental listings in September 2018 showed available space in mostly small, aging structures, with asking rents descending the further south one moves. The average listed space in the county was just 21,561 square feet, and over 40 years old – hardly the inventory needed to attract a new wave of advanced manufacturing and logistics firms.

Higher per-square foot prices and smaller spaces in DeKalb’s north and west illustrate another challenge for the county’s industrial future. As land values rise and mixed-use development redefines the market in DeKalb’s most sought-after communities, some industrial properties are coming under “pressure to be rezoned for other uses.”³³ Maintaining industrial zoning in key employment centers across the county can help protect DeKalb’s vital light manufacturing, logistics and distribution businesses.

³³ DeKalb Industrial Land and Economy Study, 2016.

Table 3.12: Survey of Industrial Listings for Rent

September 2018
Non-scientific review of online listings

	DeKalb Total	Stone Mountain Ind. Park	Lithonia / Stonecrest	Doraville / Northlake
Avg. Asking Rent PSF	\$4.56	\$4.25	\$4.81	\$6.20
Avg. SF/Listing	21,561	26,584	20,598	7,840
Avg. Year Built	1977	1977	1972	1978

Sources: Loopnet; RKG Associates.

Industrial Analysis Development Pipeline

Approximately 18 million square feet of industrial space was under development in the Metro Atlanta region in mid-2018, according to JLL, a real estate research consultancy.³⁴ This supply shock represents the market's largest delivery of industrial space in more than ten years, adding more than three percent to the region's industrial supply in roughly one year. This new space is anticipated to accommodate most of the immediate regional demand for industrial space. It was reported that only six of the 37 largest properties under development in the region have any pre-leasing, "but the market has shown an appetite for new space."³⁵ As covered in greater detail in the Target Industries chapter, new distribution centers in Fulton County and elsewhere have been occupied by firms including Dollar General, The Home Depot, FedEx, and others.³⁶

Warehouse and distribution space is leading the way in Metro Atlanta's new industrial development boom. Given DeKalb's locational strengths – available land with access to multiple highways and proximity to Hartsfield-Jackson Atlanta International Airport, and routes to the Port of Savannah – the regional push for new distribution and logistics space presents tremendous opportunities in the long run. The average size of new warehouse/distribution facilities in Metro Atlanta is reported to be roughly 573,000 square feet, illustrating the need for large-scale greenfield or redevelopment sites. DeKalb's I-20 corridor, from the existing Bouldercrest Logistics Cluster to Lithonia and Stonecrest in the east, has several sites that would be able to accommodate distribution centers and firms with similar space requirements.

Conversations with County staff revealed only conceptual plans for future investments in new industrial property in DeKalb, mostly in the south. "Project Rocket," the distribution center to be located on the Gwinnett side of the Gwinnett/DeKalb border near Stone Mountain, is "moving forward" according to DeKalb staff.

³⁴ JLL Q2 2018 Industrial Insights, Metro Atlanta Report

³⁵ Ibid

³⁶ Cushman & Wakefield

Industrial Analysis

Conclusions

Growing and diversifying DeKalb County's industrial economy will require both a commitment to new industrial development as well as a reinvention of its existing industrial spaces. This will mean compromises – and sometimes ones not popular with certain subsets of residents, as illustrated by troubles at the former Sears Distribution site and with the long-delayed “Project Rocket” distribution center proposal near Stone Mountain.³⁷ That said, a growing industrial and distribution sector would provide highly valuable diversity to the county's jobs landscape, help capture DeKalb's fair share of the region's economic success, and help areas of the County lagging behind in economic activity to establish a foothold in job creation and investment attraction.

The sector provides good-paying employment to workers with a wide range of skills and educational backgrounds and can provide a catalyst in the local economy for historically disadvantaged DeKalb residents. Higher-tech distribution and advanced manufacturing firms can play a critical role in growing the county's healthcare and research cluster (see Target Industry chapter). Competing for these firms – and thereby for the real estate development that would accommodate them – may begin with increased interaction with the Metro Atlanta Chamber, the Georgia Innovation Crescent, and trade groups. These can help build relationships with prospective industrial firms who may be unfamiliar with DeKalb's sites and opportunities. The County can use existing incentives tools like tax abatements, Tax Allocation Districts, and density bonuses to encourage industrial property owners to upgrade their structures, while also assisting any displaced businesses to find suitable alternative locations in DeKalb.

Office Analysis

Key Findings

- **Northern DeKalb's office market is experiencing the strong performance seen across much of Metro Atlanta.** Asking rents in Perimeter Center are approaching \$30 per square foot per year, just below the mid-2018 average in Downtown Atlanta, \$32/sf/yr.
- **Asking rents and types of office space vary significantly across DeKalb's communities.** Outside of DeKalb's high-performing northern and western communities, offices are typically in older one- and two-story commercial structures or in strip malls. Asking rents in areas like Lithonia, Stone Mountain, and portions of Doraville rent for as low as \$15/sf/yr.
- **New construction is increasingly taking place at higher densities and with a premium on walkability and mixed uses.** A strong majority of new office space across Metro Atlanta is locating within a half mile of a MARTA station. Dense mega-projects like High Street Atlanta and Doraville's Assembly Yards are anchoring their mixed-use developments with hundreds of thousands of square feet of new office space.

³⁷ *Atlanta Journal Constitution*: DeKalb Denies Its Part of 'Project Rocket' Proposal: Sept 25, 2018. Tyler Estep.

- **Underutilized malls and their out-lots may provide opportunities for office-led adaptive reuse.** Northlake Mall, the Mall at Stonecrest, and others may benefit from converting or building office space, adding customers for retail businesses and generating rents where they may have been lacking.

Office Analysis

Development Trends

DeKalb County is increasingly being seen by many employers as a highly desirable office alternative to Downtown/Midtown Atlanta and Buckhead. While space varies greatly in quality and accessibility, the county was home to over 47 million square feet of office in 2017, according to the Appraisal and Assessment Department's database. The average office property consisted of 24,019 square feet of occupiable space on .45 acres, a floor area ratio (FAR) of 0.25. Nearly half of DeKalb's office space was in either Dunwoody (12.4 million SF) or Brookhaven (10.8 million SF).

Office space in DeKalb takes on significantly different forms in different areas of the county. The highest-density office properties are clustered in the most competitive DeKalb markets: Dunwoody (1.2 FAR for offices), Decatur (0.9 FAR), and Brookhaven (0.9 FAR). These areas are home to most of DeKalb's new office development, and most plans for large future projects. In addition to the strong schools, highly-educated workforce, and amenities that these communities offer, their MARTA stations are likely playing a role in attracting high-value office development. As noted in Section 3 of this chapter, greater than 60 percent of new office space added across Metro Atlanta since 2008 has been within a half-mile of a MARTA station.³⁸

The limited amount of new office development in other portions of the county may be due in part to a lack of MARTA access, among other market-related factors. While improving, perceptions about education, safety, and desirability in some portions of DeKalb County may be leading prospective employers to focus on other locations; office developers are unlikely to invest in new structures if they have doubts about firms' willingness to move there.

Smaller communities like Stone Mountain, Clarkston, and Lithonia have limited office space, typically in structures under 5,000 square feet. Large but low-density areas like Tucker, Stonecrest, and portions of unincorporated DeKalb have space-intensive average office structures on even larger parcels.

Across the county, a few large-scale office projects have been completed since 2013, most notably the first phase of the State Farm Atlanta Hub (aka Park Center), a 1.56 million square foot structure in Perimeter Center, and the Perimeter Summit Office Towers, which delivered 1.07 million square feet over the border in Brookhaven. Other new office developments have included the new FBI Atlanta Field Office (202,000 SF) and Blackhall Studios (177,000 SF), both in unincorporated DeKalb.

³⁸ Cushman & Wakefield

Office Analysis
Market Performance

DeKalb's office market is largely performing in line with Metro Atlanta's, with vacancy rates around 18 percent and asking rents in the mid \$20s (dollars per square foot per year). Metro Atlanta office rents had risen in 18 of the last 19 quarters as of the end of 2018.

JLL estimate office activity measures for two of DeKalb's major commercial clusters: Central Perimeter³⁹ and Northlake. The Central Perimeter market experienced negative absorption of space through the first three quarters of 2018, likely driven by the recently completed State Farm facility, which allowed some space to go back to the market in Q2 2018. Northlake had absorbed 47,819 square feet of space in 2018. Asking rents in these two areas are well-positioned near the Metro Atlanta average, and present a less expensive alternative to nearby Buckhead and Midtown Atlanta.

Table 3.13: Atlanta Office Market Measures

	DeKalb			
	Metro Atlanta	Downtown, Midtown, Buckhead	Central Perimeter	Northlake
Inventory (SF)	147,554,260	52,629,671	22,961,723	9,682,817
Absorbed 2018	-150,110	747,745	-124,155	47,819
Total Vacancy	18.7%	14.6%	19.4%	16.8%
Asking Direct Rent/SF	\$27.40	\$33.05	\$29.15	\$22.16

Sources: JLL Q3 2018 Office Insights, Metro Atlanta; RKG Associates.

A non-scientific review of active rental listings in September 2018 found asking rents broadly in line with the JLL market review. The average square foot of office space across all of DeKalb County had an asking rent of \$27.54 per year, close to the estimated Metro Atlanta average of \$27.40 and more affordable than Central Atlanta's \$33.05.

Perimeter Center's average listing was newer, larger, and more expensive per square foot than any other area of DeKalb. The average listed space in Perimeter Center was a massive 68,653 square feet, suggesting that large towers with availability like 2 Ravinia Drive are behind much of the area's market inventory. Asking rents averaging \$30.27, slightly less expensive than the Atlanta Central Business District (CBD) average, make clear that Perimeter Center is one of the most sought-after commercial clusters in all of Metro Atlanta. Interviews with professionals including leaders of the Perimeter CID revealed that direct

³⁹ JLL's Central Perimeter cluster includes portions of both DeKalb and Fulton Counties.

MARTA rail access, planned improvements to Georgia State Route 400 and I-285, and efforts to enhance the area’s mixed-use quality of life are driving a new wave of demand.

Table 3.14: Survey of Office Listings for Rent

September 2018
Non-scientific review of online listings

	DeKalb Total	Doraville / Northlake	Perimeter Center	Decatur
Avg. Asking Rent PSF	\$27.54	\$14.75	\$30.27	\$25.60
Avg. SF per Listing	34,359	21,500	68,653	13,721
Avg. Year Built	1978	1972	1985	1979

Sources: Loopnet; RKG Associates.

Downtown Decatur, while having offered traditional office space near Atlanta proper for decades, can take advantage of a strong residential and retail/restaurant market to reinvent its aging office stock. Average asking rent of \$25.60/sf/yr suggests that Decatur’s stellar location and vibrant culture are helping to overcome its aged office spaces, which have an average age of 40 years. Still, average asking rents that trail the county average indicate that a city with Decatur’s assets could be doing more to attract high-value office tenants. This may involve renovation of existing spaces, like the recent upgrades at 160 Clairmont Avenue, originally built in 1983.

Areas like Doraville and Northlake are home to substantial quantities of aged, smaller office spaces with low asking rents. As is typical in auto-oriented, low-density areas, these spaces are often in strip malls or small standalone structures built in the 1970s and 80s (Northlake is home to some larger, office park-style structures). Pivoting older, smaller spaces towards temporary uses may help to inject them with new life without substantial investment, under the assumption that they may become redevelopment opportunities in the future. Northlake’s office market will be affected by future redevelopment of the Northlake Mall, which may itself include a large injection of new office and/or medical space.

Small clusters of office space in Lithonia, Stonecrest, and unincorporated DeKalb along I-20 are comparatively inexpensive and in many cases newer than the inventory further north. While uniformly low-density and car-dependent, these offices come in a range of structure types, from retail-anchored space in strip malls to two-story office parks constructed in the 1980s. As covered in Chapter 4’s Target Industry Analysis, these areas may present opportunities to create hybrid office/manufacturing facilities for firms looking to co-locate their business operations near a major highway.

Office Analysis

Development Pipeline

- **Mega-projects like High Street Atlanta and Assembly Yards will have substantial office components.** Situated near transit, these developments will aim to cash in on a hot Metro Atlanta office market and to grow their areas' daytime populations, complementing the projects' residential components. Serta Simmons' under-construction headquarters at Assembly Yards is due to come online in 2019.
- **The City of Decatur is aiming to incorporate new office space into its downtown.** According to at least one planner, the City sees an opportunity to balance recent improvements to the area's residential inventory with new and refurbished office space.
- **The second phase of the State Farm facility in Perimeter Center is nearing completion.** The site will add hundreds of workers with direct access to the Dunwoody MARTA station.
- **The \$2 billion Children's Healthcare of Atlanta (CHOA) campus at the North Druid Hills / Briarcliff employment center may drive nearby office development/redevelopment.** Underutilized parcels along Buford Highway and a repositioning of the aging, isolated-use Century Center development may present the most immediate opportunities for new office space.
- **Transit-oriented office possibilities exist near Avondale, Doraville, Kensington, and Chamblee stations, among others.** MARTA and other entities with vacant or underutilized land near train stations are exploring options for transit-oriented development. While plans for residential uses have been widely publicized, the strategic placement of mid- or high-density office at these stations will likely play a role in the most successful economic development plans.

Office Analysis

Conclusions

DeKalb's office market is primarily driven by strong demand in Perimeter Center, Northlake, Decatur, North Druid Hills, and other locations in the county's north and west. A broad trend toward dense office development near MARTA stations means these areas are likely to see continued high levels of demand. While DeKalb's office market has performed roughly in line with Metro Atlanta's in the recent past, proposed projects delivering an influx of supply will test the market's appetite. Mega-projects like High Street Atlanta and Assembly Yards in Doraville will deliver hundreds of thousands of square feet of office space in the decade to come.

The potential success of those projects may have far-reaching impacts, expanding beyond their immediate properties to create true regional centers capable of competing with Central Atlanta for firms and residents. City and County officials can make sure that DeKalb has spaces that meet the needs of office-seekers by continuing to simplify permitting processes, maintaining data on development opportunities, and allowing more as-of-right construction with fewer zoning restrictions. Office space in less competitive portions of the county may require retro-fitting to accommodate the needs of small creative businesses or temporary uses. Large, low-cost spaces may provide opportunities for joint production/office facilities,

particularly in the county's south. The emerging preference for office space near transportation connectivity and other amenities means that office development will be a longer-term strategy in some of the county's poorer-performing markets. Other land use types may be needed first in order to build a market capable of supporting office businesses and, potentially, new transit service.

Retail Analysis

Introduction

Unlike the other land use analyses in this chapter, the SEDP process did not seek a data-detailed analysis for retail development. Simply put, retail markets serve localized areas. Having the County perform a detailed countywide retail analysis would have marginal value. That said, retail development can play an important role in supporting primary employment development and the creation of new, sustainable residential projects. This section provides a synopsis of general retail trends and opportunities, within context of the SEDP effort. The following narrative should provide the county and its economic development partners information to better strategize location-based economic development efforts (see Employment Centers chapter).

Retail Analysis

Key Findings

- **DeKalb's retail inventory is significantly aged and mostly focused around low-density, auto-oriented uses like shopping malls and strip malls.** While occupancy varies across DeKalb's communities, many retail centers are experiencing high levels of vacancy in the face of shifting consumer preferences.
- **Success in Downtown Decatur and venues like Atlanta's Ponce City Market highlight the importance of experiential retail.** Retail settings that encourage walking, lingering in public spaces, and enjoying nearby food or entertainment are proving more sustainable than some stand-alone retail structures.
- **The future of retail is trending towards mixed-use communities, whether in traditional downtowns, repositioned malls, or other neighborhood centers.** Proposed mega-projects across DeKalb County are increasingly prioritizing active streetscapes that include innovative and engaging retail.
- **Higher-end malls or those in desirable locations can improve their long-term viability by adding housing, office, medical, or other uses that increase foot traffic.** Mixed-use development can spread retail and dining customers through the hours of the day and add to the on-street vibrancy that attracts visitors.
- **Struggling malls in lower-income and low-density areas may serve as new job centers in the manufacturing, distribution, logistics, or other space-intensive industries.** As the global retail climate shifts, some traditional shopping centers may be better suited for other uses, especially if they provide needed space for employment in growing fields.
- **Pop-up activation can fill vacancies, incubate new brands and restaurants, and create excitement around traditional retail.** Relaxing rules for temporary business permits and providing small grants for tenant fit-out can spur programs that benefit landlords, small business owners, and communities alike.

Retail Analysis

Development Trends

Having developed extensively after World War II, DeKalb County grew as a largely auto-oriented, segregated-use residential county, and most of its retail/restaurant environment is resultingly suburban in scale. According to the county assessment data, retail-led properties are built at an average FAR of just 0.23, meaning that the vast majority are single-story structures on properties with large proportions of surface parking or undeveloped space. The average retail-led⁴⁰ structure in DeKalb was 18,931 square feet – a relatively large space, likely influenced by the prevalence of sprawling shopping malls. Northlake Mall, North DeKalb Mall, The Gallery at South DeKalb, Stonecrest Mall, Perimeter Mall, and others mostly rely on traditional suburban retail assets: anchor department stores, interior arcades, and acres of surface parking just off a major roadway.

The resurgence of Downtown Decatur’s retail and dining scene has been one of the stories of the last decade in DeKalb County and a marker for economic development success. It is hardly surprising that the City of Decatur’s retail structures are built at the highest density of any city in DeKalb, with an FAR of 0.40 on average – nearly the double the county-wide figure. This higher density has allowed for greater walkability between establishments, more room for other land uses like residential, office and public spaces, and the added vibrancy that results from streets that make people want to linger.

An increasing number of DeKalb’s retail spaces are being added in mixed-use structures, with either residential units or office/medical space above. Downtown Chamblee’s emphasis on active streets and ground-floor retail near the area’s MARTA station has brought a new development paradigm to an otherwise car-focused city.

Retail Analysis

Nationwide Market Trends

With the rise of online shopping continuing to change the global retail landscape, traditional retailers are facing an urgent need for reinvention. The troubled state of the country’s shopping malls has been well-documented; in late 2018 the vacancy rate for enclosed regional malls reached its highest rate since 2011.⁴¹ Credit Suisse forecasts that between 20 and 25 percent of the nation’s shopping malls will close by 2022.⁴² That said, a number of new strategies are helping the most innovative retail environments not just to remain viable, but to thrive.

Experiences Win

The success of Downtown Decatur and other walkable commercial centers highlights the importance of *experiences* to modern shoppers. When consumers can order almost any product online from the comfort of their own home, routine, traffic-filled shopping trips are often foregone. Memorable experiences and environments are often what is required for consumers to choose venturing out over staying in. Unique and curated stores, dynamic public spaces, restaurants, entertainment and services like gyms, and “can’t

⁴⁰ Structures classified as “retail” by the DeKalb Appraisal and Assessment Department. A structure may have multiple retail spaces, or a mix of other uses; other buildings classified as “mixed use,” “office”, or others may have retail space on their ground floor but are not included in this analysis.

⁴¹ Cheng, Andria. “US Mall Vacancy Rate Has Hit a &-Year High, But It’s Not Time To Panic.” *Forbes*. 4 Oct 2018.

⁴² Easter, Makeda. “Up to 25% of US Shopping Malls May Close in Next Five Years, Report Says.” *The Los Angeles Times*. 1 Jun 2017.

miss” events or temporary activations can all contribute to environments that appeal to more than consumers’ simple desire to buy what they want or need.

Reinvention of Malls as Mixed-Use Hubs

While the need for reinvention within America’s malls is clear, the best path forward for different types of malls is less defined. DeKalb County is home to malls on both ends of the consumer spectrum: high-end malls with luxury and highly coveted tenants, and lower-end shopping centers with more traditional “shopping mall retailers” seen in outlets across the country.

This second group of so-called “B, C, and D-class” malls is often found in lower-income or less competitive locations, and host businesses with lower sales per square foot than other malls. These are feeling the brunt of the impact of shifting consumer behaviors, and “some won’t survive without complete makeovers,” according to one *Forbes* columnist.⁴³ As discussed in the Action Plan section of this SEDP, retail will likely take on a diminished role in the future iterations of these spaces, which instead may function with smaller, neighborhood-focused stores. These would serve the areas’ immediate residents and workers rather than a regional consumer base. Repurposing the other portions of dying malls will likely incorporate offices, medical space, housing, and potentially advanced manufacturing or light industrial spaces.

Forward-looking “Class A” malls, while not facing the same immediate challenges as struggling lower-tier centers, are making changes to ensure they remain viable. Many, especially in sprawling suburbs, have expanded their square footage to accommodate hotels, apartments, or office space with the goal of becoming “mixed-use lifestyle centers.” In addition to developing highly valuable real estate assets, the added foot traffic that these new users bring can add vitality throughout the day. “Having people live there, it becomes a more dynamic, active place,” one mall executive told *The Boston Globe* in 2018. “Retailers want to be in places that are active 24/7.”⁴⁴

As the large department stores that have long anchored American shopping malls have struggled, non-traditional retail anchors are “increasingly becoming malls’ new traffic drivers.” Grocery stores, gyms, coworking spaces, theaters, and a new wave of unique restaurants are bringing a different type of foot traffic to malls, functioning more similarly to the most dynamic, walkable downtown commercial districts.

In aiming to be more like traditionally vibrant, mixed-use neighborhoods, some property owners are pursuing long-term strategies that can “knit shopping centers more nearly into [their] surrounding neighborhoods.” This can often involve reducing surface parking (and putting necessary parking in tucked-away garages), connections to transit, and the extension of street patterns like grids that create more tie-ins to neighboring properties. New investment in these types of projects “are less about retail-only and more about retail as part of a live-work-play neighborhood, and not [just] a mall.”⁴⁵

This comes back to the role of housing in the future success of these spaces. Even as their uses change, “many malls have the land and infrastructure to support more housing, and housing can help to preserve at least some of the retail – and resulting commercial tax base – that suburban towns have come to depend on.” If enough different uses are incorporated – possibly including office, medical, and services -

⁴³ Cheng, Andria. “US Mall Vacancy Rate Has Hit a &-Year High, But It’s Not Time To Panic.” *Forbes*. 4 Oct 2018.

⁴⁴ Logan, Tim. “Housing at a shopping mall? It’s becoming more common in Mass.” *The Boston Globe*. 27 Dec 2018.

⁴⁵ Ibid.

adding housing can actually help to reduce an area's traffic congestion by reducing car trips, especially if transit access is an option. According to one executive, "the malls that will survive the age of online shopping are the ones that draw people in for reasons beyond simply shopping – often by giving them a place to live or work."⁴⁶

Pop-Up Activation

Owners of retail space in downtowns, malls, and suburban shopping settings alike are exploring the benefits of pop-up or temporary activation. Signing restaurants or retailers to ultra-short-term leases can help landlords to reduce losses from vacant spaces or to buy time until a new tenant is able to come in on a longer-term lease. The advantages these temporary uses can bring, however, extend far beyond a plug in the owner's income statement. Pop-up spaces can function as low-cost "incubators" in which small businesses can launch in a brick-and-mortar setting, or as a test for foreign brands looking to enter the US market.⁴⁷ The most successful businesses can then graduate out of the space and into permanent locations nearby once their brand and cash flow are established. The excitement and air of exclusivity around some pop-up shops or restaurants ("come today, or you might miss it!") can provide the perfect differentiator for a downtown or mall looking to stand out from a crowd of traditional suburban chain retailers. The fleeting nature of temporary activation can add to the draw. Relatively frequent changes to a commercial center's pop-up shops or restaurants can give visitors a reason to come back again and again, especially if businesses are clustered.

Even online retailers are increasingly seeing the benefit of maintaining a brick-and-mortar presence, often in the form of pop-ups. Many consumers have exhibited a preference for visiting a physical retail store to test, touch, or try on a product, and then subsequently purchasing it online. One retail specialist told *Forbes* that "when an online store opens a bricks-and-mortar presence, sales online [tend to] go up in that geo-zone... e-retailers have realized that the symbiotic relationship is often essential for success in this era."⁴⁸

While this set-up – physical stores driving online sales of the same brand – is proving to be lucrative for small businesses, its typical status as a pop-up activation can make lease terms complicated. Pop-up leases are typically negotiated on a "percentage rent" structure, where tenants pay landlords a fixed proportion of sales that occur at that space. New structures are clearly needed when the goal of the brick-and-mortar space is not necessarily to sell items in-store. Taking advantage of this trend, in addition to the general "incubator" benefits of pop-up shops and restaurants, will require landlords and lenders to "get more comfortable" with a "new leasing environment," according to one real estate professional.⁴⁹ "Landlords are looking for newer and cooler tenants who might not... initially have the... financial stability of more established retailers."

Retail Analysis

Conclusions

As DeKalb's new housing and office structures continue locating nearer to each other and to locations with strong accessibility, unique retail experiences can follow. Denser mixed-use neighborhoods or transit

⁴⁶ Ibid.

⁴⁷ Kestenbaum, Richard. "How Retail Real Estate Continues to Change." *Forbes*. 24 Jun 2018.

⁴⁸ Ibid.

⁴⁹ Ibid.

nodes can provide customers for retail businesses throughout the day and week. By enabling higher concentrations of more businesses, agglomeration affects can make shopping in these neighborhoods more appealing and draw customers from a wider region. When retail spaces are situated around engaging public spaces and pedestrian-friendly streets, shoppers tend to linger and spend more time – which tends to lead to spending more money.

Real Estate Overall Conclusions

DeKalb County's improving real estate market signals that companies, investors, and residents are increasingly finding that the community's many strengths tend to outweigh its challenges. The county's north side, led by Dunwoody, Brookhaven and others, has seen office and residential development surge ahead in recent years after a decade of inactivity relative to its peers. That momentum looks set to reach Doraville near its under-development Assembly Yards, as well as transit-oriented spaces east of Decatur.

Elsewhere, some DeKalb communities with severely aged commercial structures and low-density residential patterns have struggled to attract new investment. While zoning rules and use restrictions sometimes play a role in making development infeasible or impractical, most of the inactivity is due to simple differences in market demand. Portions of DeKalb with low population densities and limited employment will continue to struggle to attract retail, entertainment, and most large-scale employers. Change will not come to these communities overnight, but proactive decisions around zoning, incentives, and marketing can set them up for long-term success, ensuring that if market demand does shift they are ready to accommodate new investment.

DeKalb County Strategic Economic Development Plan 2024

Chapter Four: Target Industry Analysis

Introduction

While success in economic development can be defined in many ways within DeKalb County, the clearest and most prominent measure is typically the retention and attraction of jobs. Creating or keeping employment, in almost any field, has a positive impact on DeKalb County's economy. However, with limited staffing and financial resources available for a holistic recruitment, marketing, and coordination effort, county decision-makers should focus their efforts on those employment sectors that have the greatest likelihood of choosing to move to or stay in DeKalb County.

This chapter aims to identify those industries that can be most impactful and that would provide the best chance for successful retention, expansion, and recruitment efforts in DeKalb. In addition to informing recruitment efforts, a focus on growing these industries in DeKalb County can help officials to identify and refine appropriate land uses for redevelopment projects and to encourage the types of buildings best-suited for a targeted use or industry. The target industry clusters are by no means the only sectors that could view DeKalb County favorably as a place to do business. That said, they are likely the sectors to which the county's economic development community should dedicate the most time and effort due to their outsized compatibility with DeKalb's economic climate.

Before arriving at the identified target industries, this chapter analyzes the county's existing business climate, how it measures up to typical site selection criteria, its job growth patterns, and local preferences. The county's strengths and weaknesses in each of these areas may make it more or less competitive to businesses and site selection professionals considering sites in Metro Atlanta, and can dictate which industries have the greatest chance of success. DeKalb's opportunities are explored in part by analyzing the State of Georgia's performance against several business climate criteria, and identifying ways that DeKalb might set itself apart from the crowd. This chapter will briefly address the County's existing incentive toolkit, with a deeper analysis provided in Chapter 6's Existing Assets Assessment.

Key Findings

- **DeKalb's relatively low-cost land and real estate is a tremendous advantage in attracting and retaining employers; the County and its cities should work to preserve its affordability.** Without careful planning, DeKalb's low-cost, high-value reputation may become a victim of its own success.
- **DeKalb excels in many of the factors that matter most to site selection professionals.** Highway access, availability of skilled labor, and quality of life measures were identified among the most critical factors for firms evaluating sites in 2017.
- **County and municipal officials should adjust zoning and regulations to allow more communities to build mixed-use spaces capable of attracting top employers.** Office market trends across Metro Atlanta have shown a strong preference for mixed-use, transit-oriented spaces since the Great Recession.

- **Decide DeKalb and partners should increase engagement with MAC, the Georgia Innovation Crescent, and trade groups, with a clear focus on recruitment and retention within the target industries.** Interviews revealed a lack of communication regarding job recruitment goals between County staff and influential groups like the Metro Atlanta Chamber.
- **Marketing the county’s successes in education, safety, and economic development will be critical to overcoming lingering perceptions.** Proactive engagement with the community, including the communication of economic development’s benefits, should be done *before* going to the public to ask for project-related approvals.
- **Given the county’s competitive strengths, weaknesses, labor market, and other site selection factors, the target industries for 2019 to 2024 are:**
 - **Healthcare & Life Sciences**
 - **Corporate Operations & Business Services**
 - **Advanced Manufacturing**
 - **Logistics & Distribution**
- **The Film & Entertainment Production industry is an “emerging cluster” within DeKalb. Its growth suggests County efforts are on the right track.** The industry’s size and scope, however, may mean that additional economic development resources would be better placed in large, catalytic sectors like the four target industries.

Business Climate Factors

Before examining DeKalb County’s strengths and opportunities for business retention and recruitment efforts, it is worth evaluating the county’s overall business climate in comparison with the state and the U.S. Doing so can assist in identifying programs or initiatives that can help DeKalb to stand out from the crowd as an exceptional place to live and do business within Metro Atlanta and the South in general.

While quantifying specific business climate factors like household savings rates and student loan default rates is difficult at the local level, the non-profit group Prosperity Now’s annual *Development Report Card for States* provides this valuable information at the state level. The group’s 2017 report ranks each state in 92 categories, 58 of which are included in the analysis that follows. They are grouped under the following subcategories: Financial Assets and Income, Business and Jobs, Housing and Homeownership, Healthcare, and Education.

Analyzing Georgia’s standing within these categories can have several benefits for DeKalb County. In categories where the state performs extremely well, like Business Ownership by Race (2nd in the nation), DeKalb can determine if it is keeping pace, and if not, may choose to prioritize catching up as a goal. In categories where the state does not do as well, like in Small Business Ownership Rate (50th in the nation), DeKalb can seek to differentiate itself by, for example, investing in small business incubator spaces or supporting programs like Clarkston-based Amplio that encourage entrepreneurship within the refugee community.

These choices can help make the county as attractive as possible for firms looking to expand, relocate, or put down roots, and can help the employees of those firms to see DeKalb as a great place in which to work *and* live.

Financial Assets and Income

The Financial Assets and Income metrics measure wealth and income equality across the state. From an economic development perspective, states with broader wealth and income distribution tend to be more prosperous and have more dynamic entrepreneurial marketplaces. According to Prosperity Now, Georgia is among the country's weakest states in this category, earning an "F" grade (the non-profit awards ten A's, ten B's, sixteen C's, eleven D's, and four F's in each category, to the 50 states plus the District of Columbia). Overall, Georgia is a low-wealth state. The average household net worth in Georgia was \$49,450 in 2017, substantially below the national average of \$76,708.¹ Roughly 12 percent of households do not have a bank account, and the bankruptcy rate of 4.5 per 1,000 residents is nearly double the national rate. These figures highlight the diverging fortunes of Metro Atlanta and the state as a whole. As Georgia's largest city has surged ahead of more rural areas, statewide income inequality has grown. In 2017, the median income among Georgia's top-earning 20 percent of households was 4.86 times as high as the median income among the bottom 20 percent. While this ratio has declined since its peak of 5.20 during the recession, it remains the country's 15th highest.

Table 4.1: Financial Assets & Income Prosperity Scorecard

	Georgia State Rank	Georgia	US
Overall Grade	F	-	-
Liquid Asset Poverty Rate	36	43.9%	36.8%
Asset Poverty Rate	22	25.8%	25.5%
Net Worth	-	\$49,450	\$76,708
Households w. Emergency Savings	48	50.2%	56.3%
Income Inequality	37	4.9x as high for top 20%	4.9x as high for top 20%
Unbanked Households	45	11.9%	7.0%
Borrowers > 75% Credit Card Limit	48	30.8%	25.4%
Severely Delinquent Borrowers	44	19.7%	14.7%
Bankruptcy Rate (per 1,000)	49	4.5	2.4

Sources: Prosperity Now 2017 State Scorecard; RKG Associates.

¹ Prosperity Now State Scorecard, Georgia. Published February 2018.

Most potential remedies for improving net worth and asset poverty involve ensuring access to jobs at a variety of skill levels. Housing, education, and safety play significant roles. DeKalb County can combat income inequality by committing to the development of quality low- and middle-income housing, and by further expanding workforce development programs like WorkSource DeKalb and the Career, Technical and Agricultural Education program in public high schools. Given the county's historically-low unemployment rate in 2019, building skills for DeKalb County's underemployed working population may prove to be a more effective way to build wealth than focusing on programs that cater specifically to the unemployed.

Business and Jobs

Table 4.2: Business & Jobs Prosperity Scorecard

	Georgia State Rank	Georgia	US
Overall Grade	D	-	-
Small Business Ownership Rate	50	1.24%	1.39%
Business Ownership by Race	2	1.04x as high for workers of color	1.22x as high for white workers
Business Ownership by Gender	15	1.2x as high for men	1.3x as high for men
Business Value by Race	49	4.4x as high for white business owners	2.9x as high for white business owners
Business Value by Gender	49	4x as high for men	3x as high for men
Low-Wage Jobs	40	28.4%	23.3%
Average Annual Pay	11	\$54,726 ²	\$53,621
Employers Offering Health Insurance ³	43	39.1%	45.3%

Sources: Prosperity Now 2017 State Scorecard; RKG Associates.

The Business and Jobs metrics report on the quality of jobs and access to business ownership for existing residents. While Georgia's performance in this category is more varied than in the Financial Assets and Income section, the state still earned a "D" grade in 2017. In 50th place, Georgia is nearly last in the country in Small Business Ownership Rate. While jobs within large corporations certainly have their own benefits, business ownership is "second only to homeownership as a source of wealth for Americans."⁴ Generally, the higher the Small Business Ownership Rate, the higher the percentage of working residents who "have the opportunity to build wealth through business capital accumulation." Over 28 percent of Georgia's

² Georgia Average Annual Pay is different than Chapter 2's Wages section measure for Georgia due to a cost of living adjustment applied by Prosperity Now researchers.

³ Percentage of private sector establishments that offer health insurance to employees.

⁴ Prosperity Now: Small Business Ownership Rate Outcome Measures

jobs are in occupations with median yearly wages below the poverty income threshold for a family of four (\$24,300), according to Prosperity Now – the 11th highest percentage in the country.

A bright spot in Georgia's Business and Jobs scorecard is in the Business Ownership by Race measure. The proportion of Black, Asian, Hispanic/Latino, and other minorities who own businesses is higher than the proportion of White individuals who own businesses. The reversal of a nationwide trend that sees minorities own businesses less frequently than white workers, Georgia has the second highest Minority Business Ownership ratio in the country. Georgia's ranking of 49th in Business Value by Race, however, indicates that most of Georgia's minority-owned businesses are small, relatively low-revenue enterprises.

States with higher annual pay will necessarily have higher spending power. As noted previously, Metro Atlanta's consumer market is substantially stronger than Georgia's overall, but further earnings growth can help DeKalb gain the retail and entertainment amenities that many communities covet. Firms that are new to DeKalb may find the area's relatively low wages and low percentage of employers offering health insurance to be a double-edged sword; they can set up shop at lower cost than many US metros, but also may struggle to attract top talent unless they invest in stronger employee benefits. Separately, DeKalb can take advantage of the area's relatively high quantity of minority-owned businesses by helping the most promising ones to reach the "next level." This could be done via mentoring programs, curated business incubator initiatives, or the establishment of a grant competition.

Housing and Homeownership Opportunities

One of Atlanta's (and Georgia's) most notable advantages versus other strong job markets like Boston and New York City is its lower cost of housing. Still, the state's relatively low wages and educational attainment mean that housing and homeownership are a challenge for many. Georgia's "D" grade in housing metrics reflects these challenges. More than 48 percent of renters are reported to be housing cost-burdened, meaning they spend greater than 30 percent of their pretax annual income on housing. Over 61 percent of households own their own home, the 44th highest percentage in the country. While rental housing has a critical role to play in all communities, homeownership is the largest source of wealth creation for most American households. The state's income inequality issues are manifested in homeownership figures, as low-income households and single-parent households have fewer opportunities to own homes in Georgia than elsewhere.

While average home values and rents in DeKalb County are on the rise, housing in DeKalb still presents a relatively affordable alternative for those looking to live near the center of the Metro Atlanta area. In committing to the construction and preservation of low-income and workforce housing, DeKalb can protect its uniquely diverse housing ecosystem while providing needed homes for newcomers and existing residents at a variety of price points. Commitments to affordable housing, especially in areas of increasing density near train stations, can ensure that an ongoing wave of residential development provides opportunities for all types of DeKalb residents to benefit.

Table 4.3: Housing & Homeownership Prosperity Scorecard

	Georgia State Rank	Georgia	US
Overall Grade	D	-	-
Homeownership Rate	44	61.5%	63.1%
Homeownership by Race	24	1.6x as high for white HHs	1.6x as high for white HHs
Homeownership by Income	29	2.1x as high for top 20%	2.1x as high for top 20%
Foreclosure Rate	21	0.86%	1.29%
High-Cost Mortgage Loans	42	8.9%	7.6%
Affordability of Homes (Value/Income)	21	3.1x higher than median income	3.6 higher than median income
Housing Cost Burdened Owners	22	25.9%	28.3%
Housing Cost Burdened Renters	33	48.7%	49.7%

Sources: Prosperity Now 2017 State Scorecard; RKG Associates.

Healthcare

Healthcare metrics provide insight into residents' access to health insurance, their overall health status, employers' share of healthcare premiums, and other measures. In this category, Georgia is one of the country's poorest performing states. Nearly 15 percent of residents are uninsured, the fifth highest uninsured rate in the country – in 2017 the Census Bureau estimated that DeKalb County's uninsured rate was even higher, at 16 percent. Almost nine percent of Georgia's low-income children are uninsured. It should be noted that the Prosperity Now measures, in focusing on insured rates and overall health, does not factor in *access* to actual patient care.

DeKalb County sits at the heart of a healthcare paradox, home to several of the South's most famous and elite medical institutions, in a state that has one of the country's highest uninsured rates. While issues related to healthcare policy are typically settled at the federal and state levels of government, DeKalb can aim to improve access to patient care by encouraging clinics and urgent care centers in all parts of the county. Some of these may be affiliated with DeKalb's two largest healthcare forces: Emory Healthcare and Children's Healthcare of Atlanta (CHOA). DeKalb residents are already at a healthcare advantage relative to most Georgia counties due to simply having Emory and CHOA based within the county; the combination of patient care and world-class research can serve as a major attractor for prospective companies whether they work in the medical field or not.

Table 4.4: Healthcare Prosperity Scorecard

	Georgia State Rank	Georgia	US
Overall Grade	F	-	-
Uninsured Rate	47	14.8%	10.0%
Uninsured by Race	12	1.6x as high for people of color	2.1 as high for people of color
Uninsured by Income	42	5.4x as high for poorest 20%	4.7x as high for poorest 20%
Uninsured Low-Income Children	44	8.8%	6.1%
Employer-Provided Insurance ⁵	38	55.7%	58.6%
Employee Share of Premium	37	30.2%	28.0%
Forgoing Doctor Visit due to Cost	47	16.6%	13.0%
Poor or Fair Health Status	39	19.1%	17.8%

Sources: Prosperity Now 2017 State Scorecard; RKG Associates.

Education

High-performing schools are critical to attracting and retaining new firms and residents, especially those who wish to “put down roots” in the community for the long term. Separating “successful” schools and districts from the pack is difficult, as academic success can be measured in many different ways. Standardized test scores and graduation rates are among the most commonly cited measures, but fail to account for socioeconomic factors that may be driving them; a graduation rate of 85 percent in “community X” may actually represent a more impressive performance than a 90 percent graduation rate in “community Y” if the former faces starker economic or social challenges.

That said, traditional measures of school district success are readily available online and can dramatically affect the marketability of a community in the eyes of prospective firms and residents. Georgia does not fare well in these measures, earning a “D” grade and 44th out of 51 ranking. The state is 38th in the country in both math and reading proficiency for 8th graders, and 44th in high school graduation rate (79.4 percent in 2016). For those Georgia students who do go on to higher education, they are hit with the country’s fourth-highest median student loan debt, \$19,847. Georgia does, however, punch above its weight at the top levels of higher education; DeKalb’s Emory University, Fulton County’s Georgia Tech, and the University of Georgia (Athens) landed in US News & World Report’s Top 50 National Universities in 2018.⁶

⁵ Percentage of non-elderly (under 65) population covered by employer-based health plans.

⁶ US News and World Report Best Colleges 2018, National Universities

Table 4.5: Education Prosperity Scorecard

	Georgia State Rank	Georgia	US
Overall Grade	D	-	-
Early Childhood Ed Enrollment	22	48.0%	48.0%
Math Proficiency – 8 th Grade	38	28.4%	32.1%
Reading Proficiency – 8 th Grade	38	30.2%	34.3%
High School Graduation Rate	44	79.4%	84.1%
Disconnected Youth	35	12.6%	11.7%
Four-Year College Degree	24	30.5%	31.3%
Four-Year Degree by Race	12	1.4x higher for white adults	1.5x higher for white adults
Four-Year Degree by Income	35	4.5x as high for top 20%	4.3x as high for top 20%
Borrowers with Student Loan Debt	44	25.4%	22.2%
Median Student Loan Debt	48	\$19,847	\$17,711

Sources: Prosperity Now 2017 State Scorecard; RKG Associates.

The following section of this chapter will provide a deeper analysis of DeKalb’s public schools and institutions of higher learning, but DeKalb’s schools have historically lagged behind most Metro Atlanta peer counties in terms of traditional performance metrics. That narrative can change; marketing and outreach can help to address lingering perceptions about DeKalb schools, which have dramatically improved their graduation rate in the last five years (it should be noted that media including *The Economist*⁷ and *NPR*⁸ have recently cast doubt on practices behind a nationwide improvement in graduation rates). Educational achievement remains, however, highly imbalanced throughout the county, as schools in the county’s south trail their counterparts in the north in most measurable metrics. Whether or not these metrics are fair, they may affect the opinions of prospective firms and residents and steer them towards school districts with more measurable success.

Site Selection Criteria

Site-specific selection factors are key criteria when firms weigh decisions about where to locate, move, or remain. Are there vacant parcels or adaptable structures available for development? Does a site have good access to highways or public transportation? Is it available at a reasonable cost? In addition to a site being physically and financially within reach, business leaders evaluate factors like local labor costs, tax rates, and labor availability, among others. Area Development Magazine, a site and facilities planning publication, releases an annual ranking of top site selection factors according to a survey of American

⁷ *The Economist*. “The Rise in American High-School Graduation Rates Looks Puffed-up.” 3 January 2019.

⁸ *National Public Radio*. “What Really Happened at the School Where Every Graduate Got Into College. 28 November 2017.

corporate executives. The information in the ranking highlights the relative importance of a variety of factors, ranging from quality of life to labor availability, when making site selection decisions. While the survey results are not specific to any geographic area, they can help communities like DeKalb to understand how they meet firms' most pressing site selection needs, and where to focus efforts to improve.

Firms' most important selection criteria have shifted over time. While highway accessibility and labor costs have consistently been the two most important factors in site selection since at least 2000, firms now pay much closer attention to "soft criteria" like the availability of skilled labor and the quality of life that communities can offer would-be employees. A necessity to seek out sites that offer high quality of life may be reflective of a more employee-focused culture in which firms feel the need to court prospective workers who change jobs relatively frequently. The strong national economy that has emerged since the 2008 financial crisis has also seen firms place relatively less importance on a state or municipality's incentive packages.

DeKalb County is competitive in many of the top selection criteria. Access to Downtown Atlanta via multiple highways plus the Perimeter makes for high marks in highway accessibility, accessibility to a major airport, and proximity to other major markets. The area's well-educated population means a strong availability of both skilled and "unskilled" labor, although a low unemployment rate means recent college or high school graduates often present the largest pool of residents actively looking for jobs. While state and local incentives and tax exemptions like Georgia Film Tax Credits are available in DeKalb, there are relatively few programs that cannot be found elsewhere in Metro Atlanta.

Table 4.6: Executives' Top Site Selection Criteria: Changing Preferences

2017	2010	2000
Highway Accessibility	Highway Accessibility	Highway Accessibility
Labor Costs	Labor Costs	Labor Costs
Availability of Skilled Labor	Tax Exemptions	Availability of Skilled Labor
Quality of Life	Occupancy or Construction Costs	Corporate Tax Rate
Occupancy or Construction Costs	State & Local Incentives	State & Local Incentives
Tax Exemptions	Corporate Tax Rate	Tax Exemptions

Source: Area Development Magazine Corporate Survey 2017

Metro Atlanta is a low-cost market compared to many of the country's most competitive urban centers. As one of the country's ten most populous metro areas and one of its fastest growing, Atlanta can offer a quality of life that, while improvable, is highly competitive compared to its cost of living. Its tremendous diversity, arts and culture scene, sports teams, universities, hospitals, and unique neighborhoods – not to mention its mild winters - would appeal to most firms considering a move. That said, continued progress on some social issues, governmental priorities, and land use decisions will be needed to keep up with the country's highest flying metros. Metro Atlanta's historic preference for designing itself around the needs of cars, rather than human-centric design, means more traffic and fewer walkable neighborhoods than some competitive cities. Highlighting DeKalb County's progress in government accountability, land use

planning, and cultural assets can help it to stand out from the crowd in Metro Atlanta and the broader region.

Quality of Life Factors

As seen in the Area Development Magazine survey, a community's quality of life is seen as an increasingly important factor in business' decisions on where to locate. As workers increasingly place value on living nearer their workplace, the ability of a city or county to provide both a business-friendly environment and a great place to live is critical to talent retention – which should, in turn, attract more firms. The following section presents factors that are by no means the only measures that make a community competitive, but can help DeKalb County to identify its strengths for promotion as well as its opportunities for improvement.

Crime

Despite progress, perceptions of DeKalb County as a “less safe” community within Metro Atlanta persist and likely damage the county's ability to attract and retain jobs across the employment spectrum.

Among the 14 Metro Atlanta counties with a population greater than 100,000 in 2017, DeKalb had the second highest murder rate, with 13.1 for every 100,000 residents. While this measure is not representative of the level of safety in all of DeKalb County's communities, business decision makers and site selection professionals who see this measure may think twice before choosing to locate in DeKalb, especially when competitive counties like Cobb and Gwinnett have approximately one-third the murder rate. Less serious crimes like robbery still can have a profoundly negative effect on an area's quality of life and can perpetuate perceptions of a community as unsafe or undesirable. Unfortunately, DeKalb was again home to Metro Atlanta's second-highest robbery rate among counties with 100,000 residents in 2017: 801 per 100,000 residents.

Progress has been made in reducing the rate of property crime in DeKalb. The burglary and vehicle theft rates were at a ten-year low in 2017, reflecting a steady downward trend since the financial crisis. The 204 burglaries per 100,000 residents in 2017 was less than half the 435-per-100,000 rate seen in 2008. Violent crimes, however, have remained stubbornly consistent. Since 2009, DeKalb's murder rate has fluctuated between nine and 13 per 100,000 residents per year,

Figure 4.1: Murder Rates, 2017

Metro Atlanta counties with more than 100,000 residents
Murders per 100,000 residents

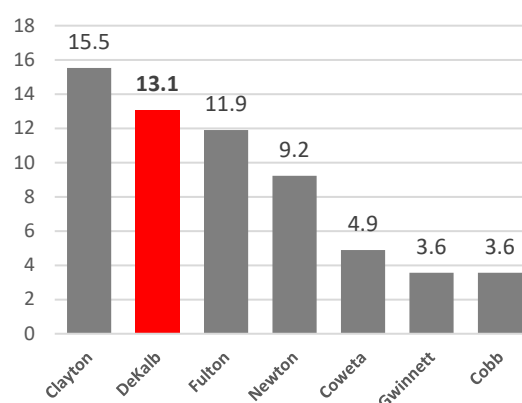
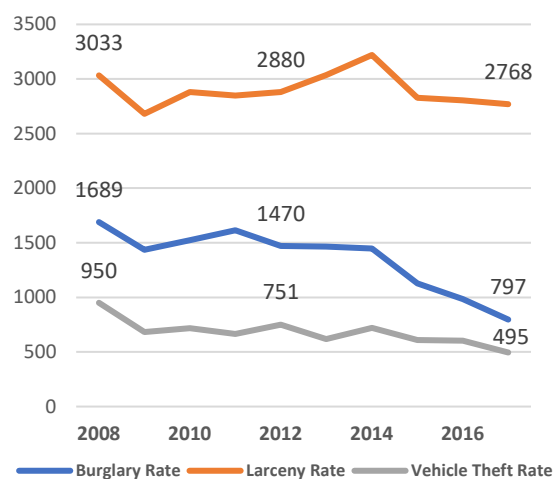


Figure 4.2: Property Crime Trends

DeKalb County, crimes per 100,000 residents



Sources: Georgia Bureau of Investigation; RKG Associates

and the 98 total murders in 2017 was the highest since 2008, which saw 113. The sexual assault rate has shown similar consistency, with 22.4 per 100,000 in 2017 compared to a ten-year average of 23.7 per 100,000.

Both violent and non-violent crime rates are clearly driven by many factors, income and economic success high among them. DeKalb's ability to attract and retain good-paying jobs across the income and education spectrum may in turn play a key role in reducing the county's crime rates. Communicating DeKalb's successes and highlighting its plans for growth will be critical to bringing perceptions of the county closer to reality versus what merely garners attention in the media.

Healthcare Facilities

As covered in previous sections, DeKalb County is home to some of Georgia's foremost hospitals and medical research centers, making its healthcare facilities a tremendous asset in economic development efforts. Emory University Hospital was the top-ranked hospital in Georgia in *US News and World Report's* 2018-2019 Best Hospitals Guide.⁹ This came months after the integration of DeKalb Medical into the Emory Healthcare system, further solidifying the county as the center of Georgia's healthcare ecosystem.¹⁰

In the interest of reaching the greatest number of residents, DeKalb's largest healthcare facilities are in the county's densest areas: Emory Decatur Hospital (628 beds), Emory University Hospital (569)¹¹, and the Children's Healthcare of Atlanta's rapidly growing North Druid Hills Campus (446)¹² are all clustered towards the county's west and north. In addition to several clinics, urgent care centers, and other medical facilities, more outlying areas of DeKalb are served by smaller hospitals including the Emory Hillandale Hospital (100 beds) in Lithonia.

Perimeter Center and surrounding neighborhoods are served by Emory Saint Joseph's Hospital and Northside Hospital Atlanta, immediately across the county line in Fulton County. The Grady Health System's Downtown Atlanta campus and Emory University Hospital Midtown are both easily accessible via I-85 and I-20.

Housing Costs

In a region that already enjoys a cost of living advantage over many competing metro areas, DeKalb County can offer a high quality of life at even more affordable rents and price points than neighboring Cobb or Gwinnett counties. As shown in Chapter 3's Real Estate Market Analysis, DeKalb remains a lower-cost option for both prospective homebuyers and renters, despite recent increases in median sale prices and rents. DeKalb's median monthly rent of \$1,337 per month across all unit types in 2018 was lower than that of Cobb, Fulton, or Gwinnett County, as it has been since at least the year 2000.¹³ Similarly, the 2018 median sale price for a home in DeKalb County, \$204,820, was more than \$15,000 below the next most inexpensive peer county, Gwinnett. This means that prospective firms or residents may view DeKalb County as the "cheapest, closest" choice for accessing all that the heart of Metro Atlanta can offer.

⁹ *US News and World Report* 2018-2019 Best Hospitals Guide

¹⁰ *DeKalb Neighbor*. "Emory, DeKalb Medical Finalize Partnership." 21 August 2018.

¹¹ Emory University Healthcare

¹² Children's Healthcare of Atlanta

¹³ Zillow Rent Index (ZRI) by County, November 2018.

Housing Availability

Despite a consistently high residential vacancy rate, housing availability presents more of a challenge for DeKalb County's efforts in business attraction and retention. The county has grown its aging housing inventory by just 1.7 percent since 2010, although recent development of multi-family housing in Brookhaven, Decatur, and other communities is helping to bring newer product onto the market. In the future, situating more new housing units near transit access and in mixed-use communities can reduce traffic impacts, and keep DeKalb competitive with other communities that will also be competing for younger employees.

Based upon population growth projections from the Atlanta Regional Commission (ARC), DeKalb's housing creation rate will need to accelerate substantially to keep pace with demand.¹⁴ ARC projects that DeKalb's population will increase by nearly 156,000 by the year 2040. At the current average persons-per-household rate, this would equate to almost 58,400 new households, or roughly 2,535 per year. Having created about 1,040 net new units per year from 2010 to 2016, DeKalb's housing creation rate would need to grow by almost 150% to keep pace.

Public Schools

DeKalb County is served by three different school districts: City Schools of Decatur, Atlanta Public Schools, and DeKalb Public Schools in all other municipalities and unincorporated parts of the county.

DeKalb Public Schools serve nearly 102,000 students in 140 schools and education centers.¹⁵ 76 elementary schools, 19 middle schools, and 22 high schools are among the facilities whose 15,500 employees comprise the county's largest employer. Fitting for one of the South's most diverse counties, DeKalb Public students hail from over 180 countries and speak 140 different languages, according to the School District.

DeKalb Public Schools are improving, and recent changes in the school district's administration and oversight have brought a new level of trust to the decision-making process, according to interviews. However, academic achievement remains widely uneven across the DeKalb Public Schools, with graduation rates and other measurable metrics largely mirroring median household incomes across the county. Greatschools.com, Niche, and other academic ratings firms issue grades or scores for American public schools, and often are part of a potential resident's preliminary research on a new community. The ratings are, in the case of Greatschools.com, based upon "a comparison of test results for all schools in the state." The firm warns, however, that ratings are

Table 4.7: High School Graduation Rates

	2012	2017	Growth
DeKalb Schools	57%	74%	+17%
Decatur City Schools	90%	96%	+6%
Atlanta City Schools	51%	77%	+26%
<i>Atlanta Maynard Jackson HS</i>	56%	77%	+21%
Cobb Schools	76%	84%	+8%
Fulton Schools	71%	87%	+16%
Gwinnett Schools	71%	81%	+10%

Sources: The Georgia Governor's Office of Student Achievement, 4-Year Cohort Graduation Rates; RKG Associates.

¹⁴ Atlanta Regional Commission, 2040 Population & Employment Forecasts.

¹⁵ DeKalb County School District

“designed to be a starting point to help parents make baseline comparisons, not the only factor in selecting the right school for [their] family.” While published rankings typically are of varying levels of quality, DeKalb’s ratings may be an obstacle to marketing efforts focused on attracting families, especially to areas of the county’s south. As in any community, investments that target school district improvement can have effects far beyond test scores and student-teacher ratios; by showing initiative and a desire to improve, school districts can help attract and retain businesses that grow the local economy.

Competitive Assets & Constraints

The following section seeks to summarize the county’s economic development strengths and weaknesses based upon conversations with business owners, county and municipal officials, community organizations and the general public. The findings are grouped into five categories: the local economy, marketing and outreach, workforce and education, policy, regulation and incentives, and housing. Feedback from stakeholders is combined with summarized findings and analysis as presented in other sections of this SEDP report.

Economy

Strengths

DeKalb is positioned at the geographic heart of Metro Atlanta, and as the region has expanded geographically in recent decades, DeKalb has shifted from serving mostly as an Atlanta bedroom community to an economic center in its own right. The county is home to the fourth-highest number of jobs in the state, nearly double the amount in fifth-place Chatham county. DeKalb’s average wage of \$54,324 in 2016 was well above the state’s average and grew healthily by 18.2 percent from 2010 to 2016.¹⁶ Employment in the county grew by more than 18,000 jobs over that period.

As established in previous sections of the SEDP, DeKalb’s healthcare economy is strong and growing, with employment in the sector up 22 percent since 2010. Emory Healthcare, the CDC, and CHOA form the backbone of a research and patient care cluster that can lead DeKalb’s economic growth over the next five years and beyond. The county is also becoming known as a strong option for corporate headquarters and the business operations firms that support them. State Farm’s multi-million square foot commitment to Perimeter Center all but confirms the area as a centrally located business district that can attract the largest global firms. Assembly Yards, at the former GM plant site in Doraville, has secured Serta Simmons’ new corporate headquarters as an anchor office tenant. Both sites will offer mixed-use communities, easy walkability to a MARTA station, and direct highway access.

DeKalb’s centrally located sites and highway access have led to a strong logistics and distribution economy, and light manufacturing firms occupy space in the county’s many successful industrial parks, despite an aging building inventory.

The growth of DeKalb’s film and entertainment industry has been well documented, with the emergence of multiple production studios, soundstages, and support clusters throughout the county. Decide DeKalb and the affiliated DeKalb Entertainment Commission have been highly active in recruiting and connecting

¹⁶ US Bureau of Labor Statistics

firms that have sought to take advantage of Georgia’s Film Tax Credit program since its inception in 2008, contributing an estimated \$2 billion impact to the local economy.¹⁷

Weaknesses

Despite growth in employment and investment, DeKalb County’s economic progress has come up short of its fast-growing neighbors since at least 2010. The seven percent growth in employment from 2010 to 2016 was less than half the growth rate of any of its peer counties and lagged behind the economic growth of the state as a whole (Chapter 2, Table 2.6).

The job growth seen in DeKalb has mostly been in positions held by workers over the age of 55, suggesting that rather than firms growing by hiring more young- and middle-aged workers, older workers are simply staying employed longer than in years past. This lack of hiring opportunities for young professionals may be a reason for DeKalb’s relative difficulties in attracting 24- to 44-year-old residents. It also points to a longer-term challenge of replacing these older workers as they enter retirement age.

As covered in Chapter 3’s Real Estate Market Analysis, growth of the industrial sector in DeKalb has likely been hampered by the county’s aged building stock. The lack of recent investment in manufacturing and distribution centers is likely the result of many factors. However, Decide DeKalb and other county advocates can help direct attention to high-potential industrial sites by increasing their engagement with the Metro Atlanta Chamber, Georgia Innovation Crescent, and other groups that can help prospective firms understand why making a long-term investment in DeKalb may make sense. Strategic investments in infrastructure – including the county’s much-maligned water and sewer capacity – that makes catalytic sites more development-ready can help make decisions easier for firms evaluating building or refurbishing industrial space.

Marketing & Outreach

Strengths

Discussions with residents and stakeholders throughout the SEDP process revealed lingering concerns about how DeKalb is perceived as a place to live and do business. Strong marketing and outreach are critical to helping the public and prospective employers to understand the progress being made in DeKalb, and the tremendous advantages that it has to offer. Several organizations are already doing work on this front.

DeKalb has a strong and well-organized Convention and Visitors Bureau, which markets the county through the Discover DeKalb organization. The Discover DeKalb website, magazine, and events are well-designed and highlight the wide range of cultural, entertainment, shopping, and dining assets across the county. The site directs visitors to hotels, attractions, festivals, and events that can grow the county’s reputation



Image 4.1: Discover DeKalb Destination Guide

¹⁷ DeKalb Entertainment Commission

not just with visiting tourists, but with businesses and households that may be considering a move.

The DeKalb Entertainment Commission offers a strong example of how the county can market itself to businesses via “official” channels. By attending conferences, hosting hiring events, connecting member businesses, and marketing prospective investment sites, DEC makes clear to industry professionals that DeKalb is prioritizing the growth of its film and entertainment industry.

Weaknesses

Where DEC does a good job of inserting DeKalb County into conversations about the growth of the film industry in Georgia, more could be done to better publicize the county’s interest in developing its other industry cluster opportunities. As recommended in the Implementation Chapter, this would likely consist of further engaging with local and regional implementation partners (i.e., Metro Atlanta Chamber), attending industry conferences, and proactively marketing DeKalb’s economic development focus, locational strategies, and competitive assets. Interviews with local and regional partners indicated very little engagement is occurring, and there is a lack of knowledge of DeKalb’s economic and site-specific priorities for job retention, expansion and attraction. Recent successes in recruiting millions of square feet of new distribution space to South Fulton County and other locales likely are not the result of their having better land or access than DeKalb, but instead strong marketing, advocacy, and infrastructure commitments. The more proactive pursuit of potential firms may involve developing relationships with site selection professionals, and keeping them informed of the county’s progress via regular communications. Improvements to the economic development website, as detailed in the Implementation Matrix, can help these decision-makers to more easily identify development sites and better understand available incentives.

Newsletters, regular roundtable meetings, and press releases can do a better job of relaying news about DeKalb’s progress addressing academic, safety, and governmental concerns. “Marketing the county’s wins is so needed if we’re going to be competitive,” one community leader said in an interview. Indeed, often in matters of economic development, the loudest and most persistent voices in a conversation are the negative ones. Without fact-based, positive communication of the potential benefits of economic development work, pessimism and skepticism tend to fill the void. Ongoing outreach to the general public regarding the county’s economic development goals can make their support more likely when the time for a key decision comes.

Policy, Regulation & Incentives

Strengths

The county initiated several measures to improve the business friendliness of DeKalb following the initial SEDP process in 2014. The previous analysis identified the widely held belief that the County’s bureaucratic processes related to land development and business approvals can be inconsistent and comparatively time consuming. In response, the County initiated its first formulaic incentive policy related to reducing County costs for specific businesses. The County also instituted some procedural changes to reduce approval times and create greater clarity for businesses and land owners seeking to enhance their real estate investments (i.e., the DeKalb County Development Services Manual).

Defining the cause and effect of financial, regulatory, and policy-based incentives and procedures is important to creating greater consistency and predictability for prospects and property owners alike.

While this SEDP includes recommended revisions and additions to these efforts, the local business community members interviewed for this effort did recognize the County's efforts following the 2014 SEDP report.

Challenges

Despite the efforts just discussed, the local business owners and other stakeholders interviewed also noted that that DeKalb's approval processes remain a significant challenge to attracting and retaining businesses. Working with the County on approvals and incentives on the path to new development has been seen as such a burden by some firms that it has led to several high profile decisions to locate in incorporated cities, or to property owners agreeing to be incorporated into a city instead of investing in unincorporated DeKalb. Comments such as, "it has been far easier to bring [businesses] to parcels that are in municipalities than into unincorporated DeKalb," and "[cities] are much faster with approval processes and permitting than the DeKalb government" were common themes during SEDP interviews. Further, there were inferences that applicants were given preferential treatment based on past relationships with County officials or their ethnicity.

While these comments are anecdotal, they at least reflect the perceptions being shared in the business community. Several interviewees commented that there is plenty of interest in developing new commercial and industrial space in DeKalb, but that small business owners lacking experience or connections do not know how to navigate the County's approval processes. "I see well-intentioned people with great [business expansion] ideas," said one business owner. "But nobody knows what steps [they] have to follow to get it done. [Small businesses] do not know how to make the bureaucracy work." To this point, continued efforts to improve the consistency, efficiency, and clarity of the County's processes will further improve the realities and perceptions of development in unincorporated DeKalb.

Recommendations

Respondents engaged in DeKalb's industrial parks said that the county's manufacturing tax policy puts it at a competitive disadvantage versus neighbors. The state of Georgia's Utility Sales Tax Exemption eliminated utilities taxes for manufacturing firms – which, according to interviews, DeKalb County subsequently picked up. "Competitive counties like Gwinnett don't pay taxes on manufacturing utilities now, but DeKalb does," said one interview subject.

Another proposed policy change, summarized in the Implementation Matrix, relates to the relative inconsistency with which development incentives like tax abatements are awarded. On a base level, a lack of a formulaic approach based around a "but-for test" that determines the true need for public subsidy means some projects may win financial assistance even if the project does not require subsidy to be market viable. Additionally, the thresholds to qualify for some of the County's abatement and financial assistance programs exclude all but the largest companies. While respondents recognized that incentives should be scaled appropriately to the investment and employment benefits a company offers the county, they also felt that current restrictions kept smaller businesses from unlocking needed assistance, thereby limiting the county's economic development potential.

While the rights afforded to undocumented workers are hotly debated at the federal and state level, leaders at Atlanta's Latin American Association said that DeKalb had become a notoriously difficult place to get a business license, especially if a business owner is undocumented or facing immigration issues.

This may have been a factor in the decline of DeKalb's Latino/Hispanic population from 2010 to 2016. Some controls on who can receive a business license are surely warranted, but weighing approval processes against plans for assisting disadvantaged communities may be beneficial to DeKalb's economic development.

Housing

Strengths

As covered at length in other sections of this SEDP report, DeKalb is home to a relatively diverse and affordable housing stock compared with Metro Atlanta's other large counties. DeKalb also maintains a cost-of-living advantage over competitive metros elsewhere in the US. Recent efforts to adjust zoning and encourage transit-oriented development and denser multi-family housing will play a key role in both preserving DeKalb's housing diversity and attracting the young professionals that can keep its economy growing. The diversity of DeKalb's housing—in terms of unit size, cost, amenities, accessibility and the availability of homes for both rent and purchase—represent a strength for DeKalb when compared to other suburban Atlanta counties. Housing that meets the individual needs of all different types of individual workers can be an attractive asset for prospective employers.

Challenges

DeKalb's relatively slow rate of new residential construction has added pressure to its housing market. As noted in the real estate market analysis section, DeKalb has a relatively lower cost of housing compared to its neighbors, but that gap has closed in recent years. Accelerated housing development is necessary for the county to capture its projected population growth in the coming decades, and to slow housing value escalation (and the associated reduction in affordability). While strategic decisions are informing many of the county's new, denser multi-family projects – locating them in mixed-use, walkable communities with access to transit and amenities – most of DeKalb's housing stock is located in auto-oriented, separated-use areas. While a market will continue to exist for these spaces, their effects on the rest of the county's livability will likely grow. More homes in car-dependent spaces will, of course, increase traffic disproportionately to transit-oriented development. They can drain public resources by requiring the extension of infrastructure like roads and sewers to places that serve relatively few residents. A preponderance of low-density residential communities may present a long-term market risk to DeKalb, as new renters and homebuyers, even in the suburbs, have shown a preference for more densely situated, mixed-use neighborhoods.

Target Industries

The target industry analysis in this SEDP “casts a wide net” regarding the potential for different potential business sectors to spark economic development. In analyzing possible target industries beyond the area's historical economy or previous efforts, the screening process ensured that any potentially-viable targets could be tested and analyzed before being eliminated in favor of more promising options.

The following section provides analysis and justification of the four selected target industries for DeKalb County to pursue over the next five years. They are:

- Healthcare & Life Sciences
- Advanced Manufacturing

- Logistics & Distribution
- Corporate Headquarters and Business Operations

In addition, a high-level analysis is provided for an “emerging cluster” on which there has already been significant progress in DeKalb: Film, Arts & Entertainment.

As noted elsewhere in this SEDP, these business sectors are by no means the only ones that can or should grow in DeKalb County in coming years. Instead, these represent the best chances for Decide DeKalb and its partners to use their limited economic development resources to have the greatest positive effect upon the local economy.

These sectors were selected based upon a review of dozens of quantitative and qualitative factors. The analysis considered factors such as:

- The county’s existing employment and growth trends;
- Industry growth projections from sources including the Georgia Department of Labor;
- Area land use, building inventory, and land availability;
- Highway and transit access;
- Real estate costs (including for employee housing);
- Local fit factors such as education attainment, workforce skills, and perceived safety;
- Conversations with local business leaders, real estate professionals, economic development officials, and the public; and
- Previous studies and plans including the 2014 SEDP report.

Several aspects of the quantitative analysis are summarized by a “cluster score” model that compares different employment sectors’ relative strengths within the county. Figure 4.3 illustrates the three key drivers of a given industry’s cluster score: its size in terms of number of local jobs in 2016 (bubble size), its location quotient, or job concentration relative to its comparison counties (x-axis), and its local employment growth rate from 2010 to 2016 (y-axis). The chart makes clear that DeKalb County’s largest employment sectors are Healthcare/Social Assistance, Retail, and Educational Services, which together account for roughly 40 percent of all jobs in the county. All three have significantly positive location quotients, meaning that these sectors play a larger role in DeKalb’s overall employment than they do in the overall employment of the comparison counties: Cobb, Fulton, and Gwinnett. All three industries saw positive employment growth from 2010 to 2016 in DeKalb, especially Healthcare, which grew by 22 percent.

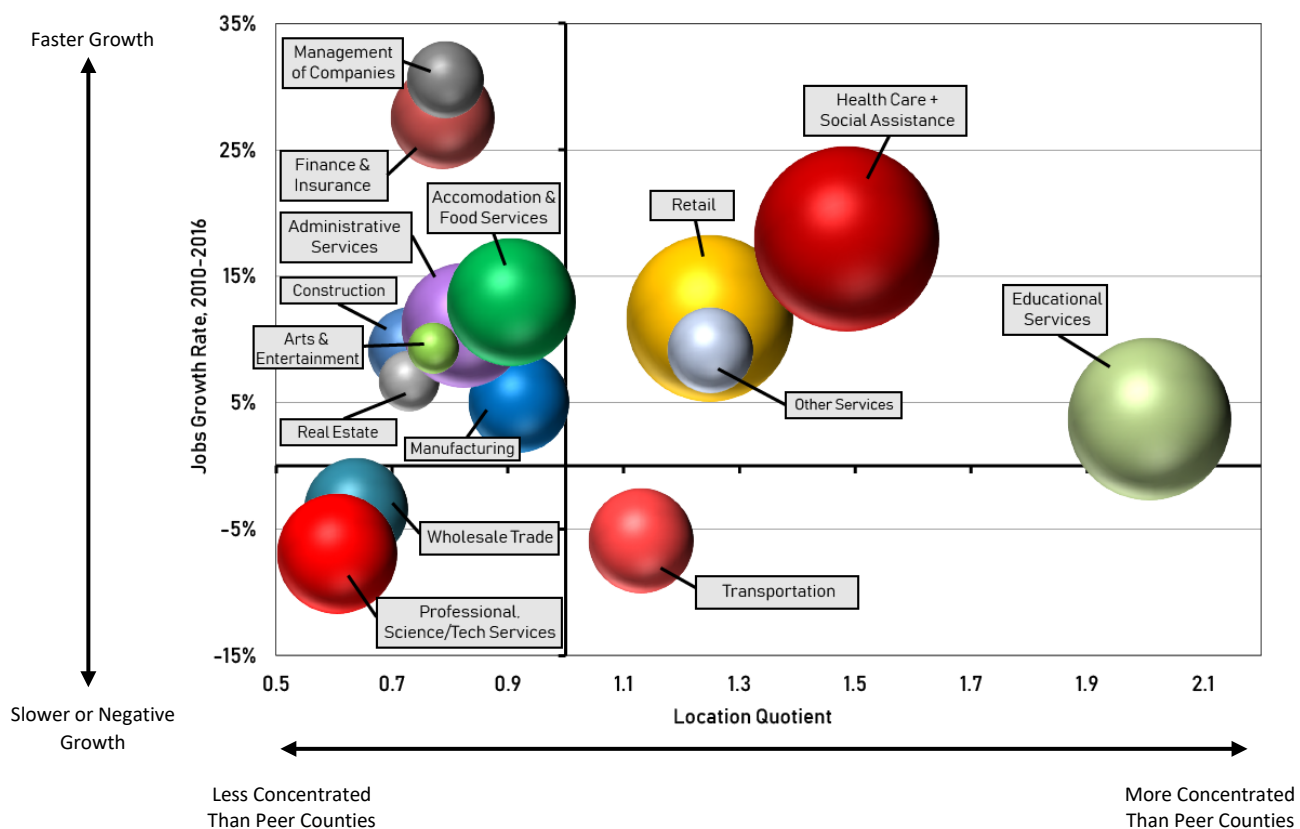
Cluster score analysis also shows that:

- Two of DeKalb’s most rapidly growing employment sectors, Management of Companies and the closely related Finance and Insurance sector, remain relatively small and play less of a role than they do in neighboring counties
- Manufacturing, despite five percent job growth from 2010 to 2016, is relatively underdeveloped as an industry versus DeKalb’s competitors
- There is an inherent mismatch between the roles of two of DeKalb’s largest industries – Healthcare and Educational Services – and Professional, Science, and Technical Services.

Healthcare's prominence as DeKalb's largest employment sector and one of its fastest growing ensures its long-term potential. The lack of corresponding growth and clustering in the research and technical services indicates a large opportunity to attract firms to DeKalb's existing "meds and eds" assets. These sectors, along with some biomedical manufacturing categories, comprise the "Healthcare & Life Sciences" target industry.

- Not shown on the table are Information sector jobs, the number of which shrank by 50 percent. This broad category includes telecommunications jobs as well as positions related to the media, including the highly sought-after film and sound industry. Large percentage gains in the film and sound industry were more than offset by losses in the Wireless Telecommunications Carriers subsector. Losses were caused in part by AT&T Mobility's wireless unit shifting hundreds of jobs "out of Metro Atlanta... to Los Angeles and Dallas."¹⁸
- Despite nearly doubling from 873 jobs to 1,600, DeKalb's much-discussed motion picture and video industries remain relatively small, less than half the industry size in either Fulton or Cobb Counties. Roughly 73 percent of motion picture industry jobs in the state of Georgia are in the four inner Atlanta study counties.

Figure 4.3: DeKalb Industry Cluster Scores



¹⁸ Kanell, Michael E. "AT&T Moving Entertainment Jobs Out of Atlanta." *The Atlanta Journal-Constitution*. 27 Apr 2017.

Healthcare & Life Sciences

As home to two of the country's elite medical institutions (Emory Healthcare and Children's Hospital of Atlanta) and the country's Centers for Disease Control and Prevention (CDC), the continued growth of DeKalb's healthcare industry must be at the heart of any county economic development strategy. Emory Healthcare, CHOA, the CDC, and other smaller firms employ over 40,000 DeKalb workers, including at least 7,300 net new positions since 2010. The secondary effects of these thousands of workers are felt throughout the economy, driving real estate development, retail spending, tax receipts, and other impacts. Healthcare's location quotient of 1.5 means that DeKalb is home to a significantly higher concentration of these positions relative to the rest of Metro Atlanta's large inner counties.

Patient care is at the center of DeKalb's healthcare cluster, and will likely grow as the area's population expands and ages. CHOA's \$2 billion investment in its new campus in Brookhaven represents a "100-year, huge commitment" to patient care in DeKalb County, according to one official. The organization's decision to grow in DeKalb County speaks to the area's market for healthcare services, but also points toward the county's need for continued infrastructure investments. While workers in the research, development, and manufacturing functions of the life sciences tend to be multi-modal commuters, patients themselves tend to drive to facilities, especially for urgent care or emergencies, according to the CHOA official. "We're building the new [CHOA] hospital in the location we are because our patient families can't get to... the [existing] Emory Campus [CHOA] facility," CHOA told SEDP staff. "So we're moving to a less congested and better-access area – but for it to work in the long-term, the road system and bridges around the campus need to be improved. We have infrastructure that's [gone] 50, 60 years without an update."

While DeKalb is well-established as the center of patient care in Metro Atlanta, a large portion of future growth will rely upon the expansion of the medical research, development, technology, and biomedical manufacturing sectors, commonly referred to as the "life sciences." These employment categories are some of the most sought after in economic development efforts around the country today due to their generally high-paying jobs and positive effects on support industries – not to mention their ability to grow a community's brand as a place for innovation. Firms working in this space tend to cluster together, often near top-tier research industries. For example, Kendall Square is next to MIT in Cambridge, Massachusetts, and Silicon Valley surrounds Stanford University in California, to name two of the most famous examples. Few places in the country, however, can couple the presence of a world-class medical research university with a relatively low cost of living, minutes away from a dynamic large city. DeKalb County should be in position to compete with any community for jobs in the life sciences research, development, and manufacturing sectors.

While employment in the "Healthcare & Social Assistance" category (as shown in Table 4.8) drives the cluster, life sciences jobs stretch across several different employment sectors. In addition to Healthcare & Social Assistance, these include jobs in Professional, Scientific & Technical Services, Manufacturing, Health IT and others.

Today the life sciences industries play a relatively underdeveloped role in DeKalb's economy, especially considering its strong position in the patient-facing medical sector. County employment in the Scientific Research and Development Services sector decreased from 2010 to 2016, reducing by 16 percent to 575 jobs. This indicates there is opportunity to focus efforts and investments to strengthen this industry and reverse recent job losses.

Employment fields within the Healthcare & Life Sciences target industry cluster include:

- Research and Development in Biotechnology (NAICS 541714)
- Research and Development in the Physical, Engineering, and Life Sciences (NAICS 541715)
- Environmental Consulting Services (NAICS 541620)
- Other Scientific and Technical Consulting Services (NAICS 541690)
Including biological consulting services, physics consulting services, chemical consulting services, energy consulting services, and others.
- Medical and Diagnostic Laboratories (NAICS 6215)
- Pharmaceutical and Medicine Manufacturing (NAICS 3254)
- Analytical Laboratory Instrument Manufacturing (NAICS 334516)
- Medical Equipment and Supplies Manufacturing (NAICS 3391)

Table 4.8: Healthcare & Life Sciences Employment, 2010–2016

*With selected “Life Sciences” subsectors in **bold***

	2010 Jobs	2016 Jobs	% Growth
General Medical & Surgical Hospitals	10,044	12,705	26%
Offices of Physicians	4,678	6,204	33%
Offices of Other Health Practitioners	856	2,474	189%
Medical and Diagnostic Laboratories	1,811	1,890	4%
Nursing Care Facilities (Skilled)	2,139	1,909	-11%
Home Health Care Services	1,655	1,937	17%
Outpatient Care Centers	1,394	1,646	18%
Offices of Dentists	1,443	1,463	1%
Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	575	1,272	121%
Other Ambulatory Health Care Services	431	974	126%
Specialty Hospitals	802	929	16%
Psychiatric and Substance Abuse Hospitals	620	740	19%
Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	480	553	15%
Scientific Research and Development Services	683	575	-16%
Other Residential Care Facilities	527	445	-16%
Medical Equipment and Supplies Manufacturing	268	215	-20%
Pharmaceutical and Medicine Manufacturing	197	137	-30%

Sources: US Bureau of Labor Statistics Quarterly Workforce Indicators; RKG Associates

Despite the heavy influence of Emory Healthcare, CHOA, the CDC, and others, DeKalb was home to just 36 of the 406 “Bioscience Industry Companies in Georgia” listed by the Metro Atlanta Chamber (roughly eight percent).¹⁹

The reasons behind DeKalb’s relative inability to grow the research, development and manufacturing portions of the life sciences sector are unclear. That said, stakeholders interviewed during this process indicated that firms cannot find suitable industrial/laboratory buildings and real estate in DeKalb, as most of the zoned industrial land is developed with older building stock. Other factors include lingering

¹⁹ Metro Atlanta Chamber:

https://www.metroatlantachamber.com/assets/macc_bioscience_industry_companies_azQeLzW.pdf

concerns about the county's attractiveness for highly educated tech and research employees and historical perceptions of DeKalb county as "business-unfriendly." Despite these challenges, DeKalb has experienced some success in attracting this industry sector, most notably EGL Genetics, which located in Tucker on Mountain Industrial Boulevard.

Increased recruitment and marketing may help to attract life sciences firms that may in turn update DeKalb's aging industrial building stock. CHOA's new campus in Brookhaven will provide opportunities for expanding patient care and research on site, but also for reimagining the underutilized portions of Buford Highway, North Druid Hills Road, and the nearby Century Center office park development. Medical offices and specialty care facilities, which often cluster near hospitals, may establish a new "highest and best use" on parcels that are often characterized by acres of unnecessary parking, especially in the Century Center development. These uses may provide an impetus for redevelopment that can create more mixed-use environments in Brookhaven, adding new medical and research space that can attract firms in the process. "Parts of the North Druid Hills area are blighted, particularly [north of] I-85 along Buford Highway," one CHOA official said in an interview, before encouraging zoning changes that could allow for denser development. CHOA's new campus "will have an aura affect," the official said. "You'll see physicians and clinics want to cluster here – but that will require new space to be developed. There's sufficient land here, but definitely not the offices."



Image 4.2: Century Center office park presents a prime opportunity for mixed-use development that complements the nearby CHOA campus expansion. Image: Google Earth.

While locating healthcare and life sciences may make sense in many parts of DeKalb County, Chapter 5's Employment Center Analysis provides recommendations on the portions of the county that may be most suitable for expansion of this and the other industry clusters. It should be noted that while patient care, research, and pharmaceutical firms may see benefits in clustering together even in high-value areas, land-intensive uses like some laboratories and manufacturing facilities may need their own custom-designed, high-ceiling spaces. These expensive spaces may push firms to take advantage of lower-cost land where they can, creating the potential for DeKalb's more outlying areas to share in the sector's expansion.

A noted concern within DeKalb's medical community is a need for stronger workforce development efforts. The county's diverse workforce likely means that expanding healthcare and life sciences firms could find the talent they need for some roles, but also that training programs could help residents refine their skills for more specific, skilled jobs. One high-ranking medical official said that they were "always looking to hire qualified medical personnel, but a lot of facilities in Atlanta compete for nurses and staff. It can get expensive to hire here." Expansion of the existing Career, Technical, and Agricultural Education (CTAE) program, which begins career-focused education as early as middle school and high school in DeKalb Public Schools, may help the county's life sciences employers to find more workers locally.²⁰

Advanced Manufacturing

Manufacturing in Georgia is undergoing a transition. After years of falling employment and shuttering facilities, the number of jobs is on the rise, and new types of industry are leading the way. "Advanced manufacturing" is a growing subsector that combines information technology (IT), innovation hardware, and processes aimed at improving "efficiency, quality, and customer fulfillment."²¹ By uniting the county's fast-growing knowledge economy with production-based uses, the sector can provide good paying jobs at a wide variety of skill levels, including highly coveted "middle-skill" roles.²²

Tracking advanced manufacturing employment trends within the overall manufacturing sector is challenging, as innovative, technology-driven roles can exist in almost any production-based subsector, from industrial machine manufacturing to chemical manufacturing and textiles. It is generally the incorporation of new automation, information technology, and research-based processes that separates "advanced" manufacturing from "traditional" or "legacy" manufacturing, according to the Brookings Institute.²³

DeKalb has struggled to grow its advanced manufacturing sector in part because of its severely aged industrial building stock. As covered in the Real Estate Market Analysis chapter, just 90,700 square feet of industrial space has been added in the county since 2013, much of which was reported to be self-storage warehouses. The 2016 DeKalb Industrial Land & Economy Study noted that local industrial space was "too old to accommodate modern industry."

While advanced manufacturing operations may grow out of large, well-established technology companies, they often take root at the "nanoscale" as well. The growing national trend of makerspaces, or shared workshops equipped with prototyping tools like 3D printers, can help aspiring entrepreneurs to get their business idea off the ground. As noted in Chapter 3's Real Estate Market Analysis, small businesses with roots in makerspaces or other shared incubator spaces often choose to locate nearby on a permanent basis. Potential opportunities related to international trade also exist in the advanced manufacturing sector, as many firms have grown into large exporters.

²⁰ ctaedekalb.org

²¹ Wholey, Mike. "Advanced Manufacturing Trends to Watch in 2019." *CB Insights*.

²² Pizzo, Laura. "Defining Advanced Manufacturing at the Industry Level and Pinpointing Its Growing Hubs." *EMSI*. 2 Oct 2015.

²³ Muro, Mark et al. "America's Advanced Industries: What They Are, Where They Are, and Why They Matter." *The Brookings Institute*. 3 Feb 2015.

Underperforming shopping malls and other large, underutilized spaces may provide opportunities for advanced manufacturing firms to repurpose existing structures in DeKalb. Especially in the county's south, where underdeveloped land is both less expensive and more plentiful, firms may be interested in establishing joint manufacturing/headquarters facilities. This multi-use concept, which is becoming common especially among small businesses, allows for the strong integration of IT and design functions with actual production processes, all under one roof. Spaces along I-20 would provide easy access both to firms in Downtown Atlanta and to shipping and distribution centers, a combination that some lower-tech, legacy manufacturers may not require.

Other areas of Metro Atlanta have had recent success in attracting advanced manufacturing firms, whether actual production facilities or offices for engineering, IT, and other technical staff. German elevator maker Thyssenkrupp is in the process of constructing its three-building American headquarters in Cobb County.²⁴ 900 full-time employees will fill jobs in information technology, engineering, and administrative positions, and the site will be crowned by an innovative 420-foot elevator-testing tower. The project was facilitated by \$264 million in bonds from the Cobb County Development Authority and is expected to open in 2022. Elsewhere, Georgia Tech partnered with Delta Air Lines to open a new Advanced Manufacturing Pilot Facility in Midtown in 2017.²⁵ The site includes a partnership laboratory, the Boeing Manufacturing Development Center, which focuses on transitioning engineering ideas into commercial prototypes.

Workforce development programs will be critical to training less-skilled workers who may historically have sought work in legacy manufacturing firms. With training, they may instead find opportunities with better pay and growth prospects in higher-tech manufacturing.

Logistics & Distribution

Firms working in the distribution of goods have known about the sizable advantages that DeKalb can offer the sector for decades. The county's southwestern corner, where I-675 meets I-20, has long been a hub of freight trucking, distribution, and shipping logistics firms. During the strong economic period since the 2008 financial crisis, however, DeKalb has largely lost out to neighboring counties on high-profile distribution centers. Large firms have led the way in a boom of building expansive, strategically located warehouses on Atlanta's periphery.

According to Cushman & Wakefield, a real estate data firm, the "single biggest driver for warehouse demand [in 2018 was] ecommerce, as retailers – sometimes fronted by third-party logistics operators – expand their web of delivery hubs."²⁶ The average facility size under construction in 2018 was 573,000 square feet. UPS built 1.2 million square feet off I-20 in Fulton County, creating a reported 3,000 new jobs.²⁷ Amazon constructed an 800,000 square foot warehouse/distribution facility in Jefferson, Georgia, adding to its existing buildings in Lithia Springs, Union City, and Macon. The firm has moved ahead with plans to construct a "giant distribution center" on the Gwinnett/DeKalb border following an initial

²⁴ Schenke, Jarred. "Thyssenkrupp Moving US Headquarters to The Battery at SunTrust Park." *BisNow.com*. 26 Jul 2018.

²⁵ Wallace, Lance. "Delta Officially Opens New Advanced Manufacturing Facility at Georgia Tech." *Georgia Tech News Center*. 19 Jul 2017.

²⁶ *Cushman & Wakefield*

²⁷ UPS Press Release, 15 Oct 2018.

rejection by DeKalb’s Board of Commissioners due to “concerns about traffic.”²⁸ Other firms building large facilities in 2018 included Dollar General, Core5 Industrial Partners, The Home Depot, and FedEx. Several million additional square feet were developed without tenants in hand, although JLL reports that “the market has shown an appetite for new space.”²⁹ Developments like the Palmetto Logistics Park, Gillem Logistics Center, Jefferson Distribution Center, Midland Logistics Park, and others have signed up new tenants including Tory Burch, Variety Wholesalers, Mars Candy, Duracell, and the chocolatier Lindt & Sprungli.³⁰

The Transportation and Warehousing employment sector, which is largely comprised of freight trucking, warehousing, and freight logistics jobs, has been a key source of job growth across Georgia since 2010. Over 187,000 Georgians worked in the sector in 2017, nearly 20 percent more than did in 2010. 13,500 net new jobs were added in warehousing and storage, 3,800 in general freight trucking, and another 3,300 in “freight transportation arrangement,” or logistics. Despite being home to Metro Atlanta’s largest quantity of general freight trucking jobs, DeKalb County grew its Transportation and Warehousing sector by just 132 jobs (1.0 percent) from 2010 to 2017. Fulton County, which has seen numerous large distribution centers locate in the county’s south near Hartsfield-Jackson Atlanta International Airport, grew the sector by over 27 percent, creating more than 5,200 new jobs in warehousing alone.

Recent growth patterns in logistics and distribution employment reflect the varying levels of investment and commitment to the sector across Metro Atlanta’s counties. With DeKalb sitting on the sidelines, virtually all of the 18 million square feet of distribution space under construction in Metro Atlanta in mid-2018 were in other counties. Growing local employment in the sector will require both protecting DeKalb’s existing distribution and logistics firms and facilitating deals that help outside businesses to develop new, custom sites that meet their specifications. The I-20 corridor through the county’s south is the logical destination for these uses, due to the existence of developable land at relatively low cost and with easy highway access. Distribution and logistics employment can help build a critical mass of jobs in South DeKalb, which can subsequently create the demand for housing and retail/restaurant amenities that were cited as community goals throughout the SEDP process.

Table 4.9: Transportation & Warehousing Jobs, 2010-2017

	2010 Jobs	2017 Jobs*	% Growth
DeKalb	13,662	13,794	+1.0%
Cobb	8,961	10,254	+14.4%
Fulton	54,683	69,648	+27.4%
Gwinnett	5,267	6,420	+21.9%
<i>Georgia</i>	<i>156,529</i>	<i>187,464</i>	<i>+19.8%</i>

*2017 job counts are used in place of 2016 due to a more complete dataset.
Sources: US Bureau of Labor Statistics, Annual Employment Averages; RKG Associates.

Like advanced manufacturing, transportation logistics are undergoing dramatic changes thanks to the incorporation of information technology. The field is transitioning away from paper-based documentation

²⁸ Williams, Dave. “First Look: Amazon Officially Opens Georgia Fulfillment Center.” *Atlanta Business Chronicle*. 13 Aug 2018.

²⁹ JLL Q2 2018 Industrial Insights, Metro Atlanta

³⁰ Schenke, Jarred. “Atlanta is The Country’s Hottest Industrial Market, And It’s Getting Hotter.” *BisNow.com*. 25 Aug 2017.

for orders, schedules, and “shared rides,” instead shifting to intelligent software models that optimize shipping processes for efficiency and cost. MAC’s “Internet of Things,” or IoT initiative focuses on the ways in which the internet and other communications technology can bring smart design to sectors like manufacturing and shipping. Conversations with Cynthia Curry, the Metro Atlanta Chamber’s Director of IoT, revealed MAC’s plans to expand the “IIoT” program, the Internet of Things’ industrial offshoot. IIoT is set to focus on the ways Metro Atlanta’s economy can create efficiencies in manufacturing and supply chain logistics via advances in software. Decide DeKalb should be highly engaged with MAC’s IoT group, attending meetings and conferences when possible. Heightened interactions with MAC will clearly express the county’s interest in attracting supply chain technology firms. Better collaboration can also put the county in the running for infrastructure initiatives that involve testing new logistics and industrial technologies, which would position the county on the IoT program’s leading edge.

Corporate Headquarters and Business Operations

Perhaps no employment sector is as selective with its potential relocation decisions as corporate headquarters. Cities across the country examined their most marketable traits in 2018 during Amazon’s nationwide contest for its “second headquarters” property. Communities highlighted their schools, workforce, transportation networks, parks, infrastructure, and other features, all in the hopes of convincing executives that thousands of their company’s employees would be happy to call a given city home. As relocation typically means a new home base for the firm’s executives and other high-ranking employees, quality of life considerations tend to weigh heavily on the minds of decision-makers. That said, financial considerations like land costs, taxes, and incentives play an important role as well.

Despite representing a relatively small proportion of DeKalb’s employment base, corporate management positions were the county’s fastest-growing employment sector from 2010 to 2016, growing by 31



Image 4.3: The under-development Assembly Yards project in Doraville will bring thousands of square feet of office space, anchored by residential and retail amenities. It reflects a new set of assets that many prospective employers look for when considering corporate headquarters locations. Rendering: Assembly Yards, Integral.

percent. Corporate headquarters and business operations can have significant secondary effects on a local economy due to the high number of support industries they tend to rely upon: consultants, law firms, financial professionals, and others often cluster nearby. Changes in Metro Atlanta's distribution of corporate jobs can be traced to several factors. As noted in the Real Estate Market Analysis chapter, DeKalb has historically functioned as a bedroom community for corporate jobs, with higher-earning residents commuting into Downtown Atlanta or elsewhere in central Fulton County for work. Those corporate jobs that have historically existed in DeKalb County have mainly been in sprawling suburban office parks – an isolating land use that today has fallen out of favor with many modern firms and workers. Now, with land values and rents in central Atlanta on the rise, firms have seen fit to build or redevelop in lower-cost areas outside of the urban core, constructing secondary commercial centers that aim to capture some of the benefits that a more “downtown” business environment can offer.

Locations like Downtown Decatur, Perimeter Center, and the forthcoming Assembly Yards development in Doraville all are characterized by relatively higher-density environments with strong or improving walkability, and direct access to MARTA – in addition to, in most cases, highway access. Large commitments by State Farm, Serta Simmons, and Mercedes-Benz USA (just across the border in Fulton County) illustrate that firms feel the benefits they can receive in these “suburban urban” commercial environments are worth whatever they may be giving up by not locating in the heart of Downtown Atlanta.

As covered in Chapter 5's Employment Center Analysis, proposed and approved developments in locations like Perimeter Center are demonstrating that developers are willing to place large bets on firms' willingness to rent large office spaces in DeKalb County. The proposed High Street Atlanta project adjacent to Perimeter Mall would add 400,000 square feet of speculative office space in a mixed-use development; the approved Park at Perimeter Center East development includes 500,000 square feet of office in addition to retail and 900 condominiums.³¹ Assembly Yards in Doraville will add unnamed thousands of square feet of office on top of the leased 250,000 square foot Serta Simmons headquarters.³² The success of these projects will rely heavily upon DeKalb County's ability to recruit and retain corporate headquarters and the business operations firms that support them.

The new development paradigm of urban-style, mixed-use, and transit-connected spaces as a means of attracting top office tenants can offer lessons for communities that seek to attract more corporate employers. Communities like Stonecrest and Panthersville, which could conceivably attract MARTA service in the future, should examine their zoning laws and use regulations to affirm that companies and developers could build similar environments if interest were to develop. Employment centers like Kensington Station and Medline/Scottdale already have the transit-oriented potential for developments that can attract large firms; a review of those areas' zoning and land use priorities may help draw the necessary investment.³³

³¹ Perimeter Center CID

³² Green, Josh. “Cheers! Doraville's Assembly project is adopting an open-container policy.” *Curbed Atlanta*. 26 Sep 2018.

³³ Perkins Eastman. http://www.perkinseastman.com/project_3427013_assembly_doraville_usa

Emerging Cluster: Film, Arts, & Entertainment

Georgia's 2008 Film Tax Credit program helped vault the state into the upper echelons of the American film and television production industry, drawing thousands of jobs and creating thousands more in support industries. DeKalb County has been very proactive about getting in on the action. The Decide DeKalb-affiliated DeKalb Entertainment Commission (DEC) markets the county to film industry professionals, attending conferences, film festivals, and industry roundtables. While some film-related businesses reportedly found their way to DeKalb without significant engagement from Decide DeKalb or DEC, subsequent successes have seen firms like Third Rail Studios, Eagle Rock Studios, and others put down roots. Third Rail's expansive studio was part of the first phase of the Assembly Yards development in Doraville. These commitments have helped build one of the county's fastest growing industries, with employment in the sector up 83 percent since 2010.³⁴

The film and entertainment production industry is included in this SEDP report as an "emerging cluster," and not as one of the county's four refreshed target industries for 2019-2024. This is for several reasons. The county has already done well with proactive recruiting, marketing, and site selection assistance related to the film industry. The employment growth rate has been significant, and the success of the county's three largest studios is clear. Secondary effects have surely been felt throughout the local economy. Work from Decide DeKalb, the DeKalb Entertainment Commission, and other stakeholders has been effective and should continue without significant changes.

That said, it remains a small industry. With just 1,600 employees in 2017, investing significant *new* resources in developing the film industry versus, for example, the 40,000-employee healthcare sector, does not appear to be an efficient strategy. The film industry indisputably has created demand for support jobs in industries like hospitality, food service, transportation, and others – but growth in advanced manufacturing, healthcare, or corporate headquarters will create more, and likely better-paying support jobs. While DeKalb-based film studios and production companies have found plenty to love in this community, the primary reason for their presence in Metro Atlanta is Georgia's tax credit program – a program that could theoretically be replicated at any time by another state. Emory Healthcare, CHOA, State Farm, and other large employers have made long-term commitments to the county based on its fundamental strengths, which should last for decades to come.

For these reasons, it is recommended that Decide DeKalb and other county decision-makers continue their current efforts to attract and retain jobs in the film and entertainment industry. Incremental investment should, however, be focused upon those sectors in which DeKalb is likely to enjoy sustainable, long-term competitive advantages.

Conclusions

As one of Metro Atlanta's most important economies and a gateway community to one of the country's most innovative and dynamic cities, DeKalb County is well-positioned to compete for jobs in almost any industry in the years to 2024. Its central location, diverse workforce, relatively low cost of living and high quality of life are all assets that most site selection professionals would find attractive. That said, opportunities exist for DeKalb to continue improving its workforce development, marketing and outreach, and other business attraction tools that can play a role in recruiting and retaining firms. While courting

³⁴ Bureau of Labor Statistics QWI 2010-2017

innovative healthcare and corporate positions, the county should protect its vital distribution and manufacturing firms. Supporting these businesses with infrastructure investments can go hand-in-hand with encouraging and facilitating new industrial development, which is needed to improve an outdated building stock. Office-based firms are increasingly choosing to locate in walkable, mixed-use, and transit-connected spaces, making it imperative that the County do what it can to help single-use but high-potential areas like Century Center, Kensington Station, and others to pivot towards their next act.

Prioritizing those employment sectors that can have the largest, most positive impacts on DeKalb County's economy and quality of life is critical for decision-makers with limited economic development resources. The four identified target industries in this chapter are among the greatest opportunities for employment growth in DeKalb. By continuing and expanding marketing and recruitment efforts, partnering with trade organizations, and proactively identifying development/redevelopment sites, DDDA and County officials can ensure that firms know about all that DeKalb has to offer. Relatedly, officials should encourage the mixed-use and dynamic development that is attracting businesses and should take steps to educate the public on the need to grow and evolve the county's building stock.

DeKalb County Strategic Economic Development Plan 2024

Chapter Five: Employment Center Analyses

Introduction

In a community as large, complex, and diverse as DeKalb County, there is no one-size-fits-all economic development strategy. Initiatives that may work well in Perimeter Center might not be appropriate for Stonecrest Center. Land use policies that stand to benefit the Medline/Scottdale area may do harm in the Tucker Summit CID. A more nuanced strategy is needed for effective economic development processes in different portions of the county. This is no more evident than in identifying land use and real estate strategies. Different areas of DeKalb County are better suited for different development opportunities and at different scales.

The following analysis includes an equity assessment and a series of assessments for each of the 14 identified SEDP employment centers (Map 5.1). The equity assessment aims to identify the strengths and weaknesses of each employment center relative to the others in factors such as transportation, local workforce, and others. Differences in these factors can help inform decisions that seek to attract one type of employment or another. The 14 employment center profiles that follow present each area's strengths and weaknesses, key development parcels, existing equity/assets, and high-level strategies for economic development.

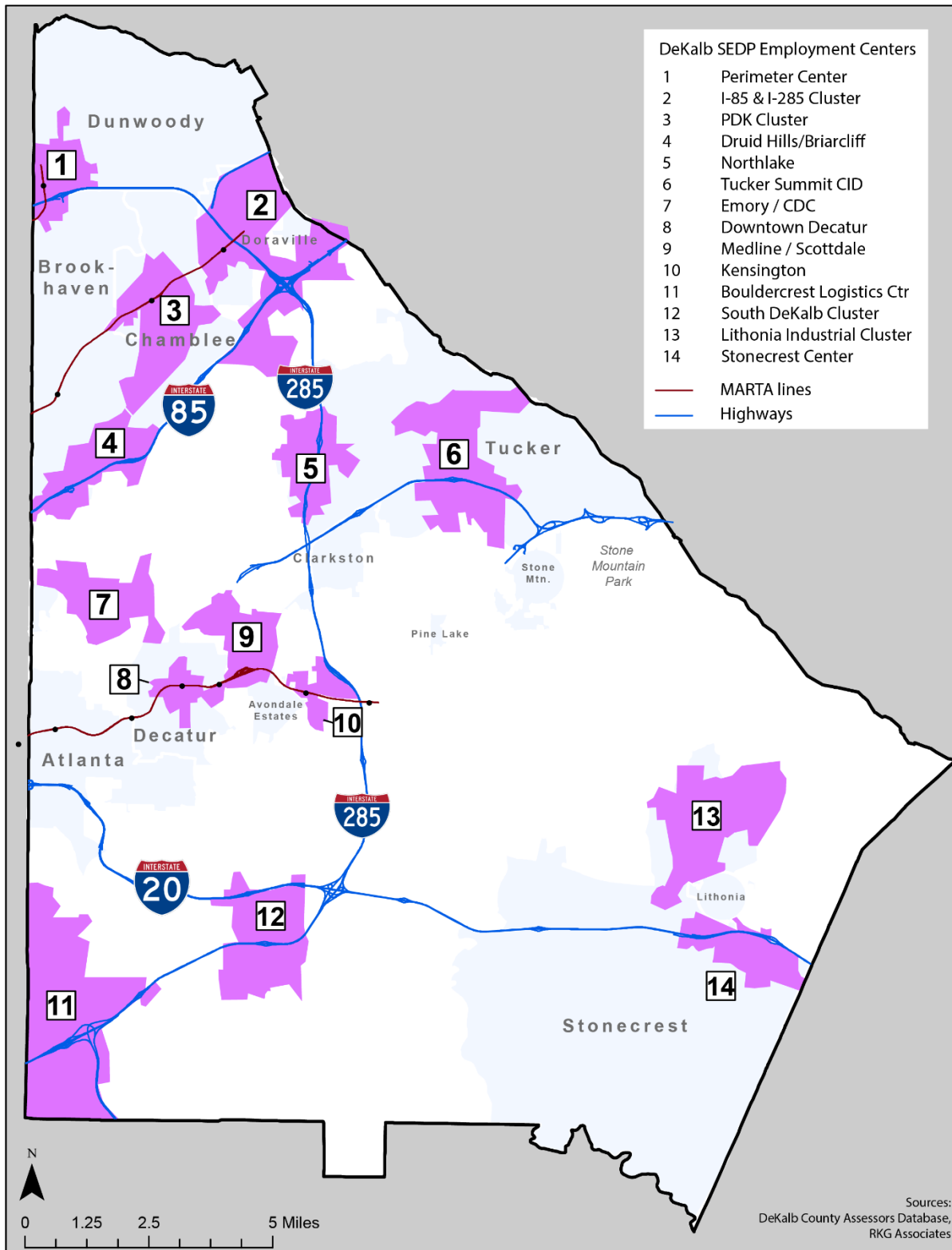
Methodology

Identifying the employment centers for this analysis involved examining factors like existing employment concentrations, infrastructure and zoning, previous planning studies, and the comments of business leaders and residents. Proposed study areas were refined after conversations with Decide DeKalb, the DeKalb Planning & Sustainability Department, and community groups including DeKalb's various Community Improvement Districts (CIDs).

The employment centers identified, and approved by Decide DeKalb and County planning staff are:

- Perimeter Center
- PDK Cluster
- Druid Hills / Briarcliff
- Emory / CDC
- Downtown Decatur
- Kensington Station
- Bouldercrest Logistics Cluster
- Northlake
- I-85 and I-285 Cluster
- Medline / Scottdale
- Tucker Summit CID
- South DeKalb Cluster
- Lithonia Industrial Cluster
- Stonecrest Center

Map 5.1: SEDP Employment Centers



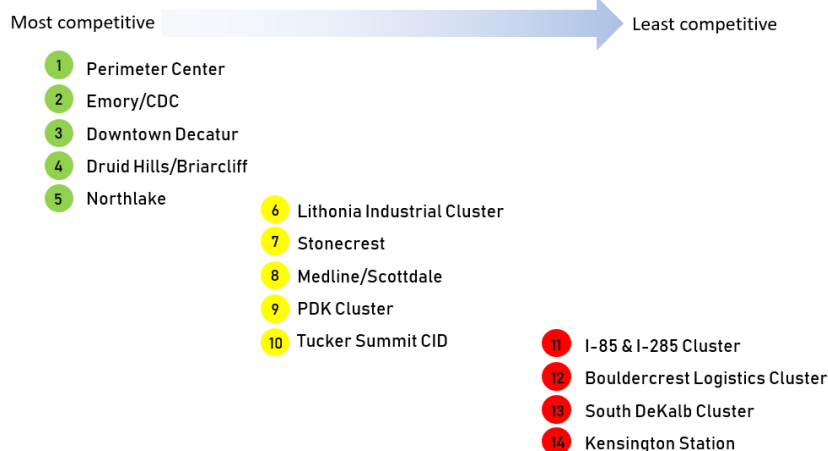
Equity Assessment

Previous chapters of this SEDP report have analyzed real estate, socioeconomic, and employment trends throughout DeKalb County. In the Equity Assessment that follows, each employment center's jobs, infrastructure, median incomes, and other features are analyzed to gauge their competitiveness for different types of employment. While every employment center is poised to attract jobs in the years to come, market realities defined by these equity features will determine which sectors are most likely to grow in which parts of the DeKalb community.

Employment centers that score highly on measures like infrastructure, employment, and income are typically the ones that are “most competitive,” or best positioned to compete for high-profile employers. Areas that score lower in these measures are by no means poor places to do business, but can help the County to identify the places that may need the most investment in order to attract jobs in certain sectors.

The scoring for the equity assessment analysis reflect how each of these areas compare *to each other*. Each category analyzed (employment, educational attainment, employer distribution, wealth and income, and infrastructure) has a defined metric. Each employment center was then compared in each category and ranked from one to fourteen. The composite result for each employment center, accounting for all criteria, is shown in Figure 5.1. Descriptions of each category and the county's relative strengths and weaknesses are detailed in the sections below.

Figure 5.1 – Composite Equity Competitiveness Scoring



Employment

Each study area was scored in the “employment” category to reflect the recent unemployment rates of surrounding residents. DeKalb’s unemployment rate today is the lowest it has been in this century, but significant discrepancies exist in different parts of the county. Areas north of I-85 have unemployment rates generally below three percent, better than the already-low county rate of 4.8 percent. Communities south of the MARTA’s Blue Line fare less well. Portions of Panthersville, Kensington, Lithonia, and Stonecrest have unemployment rates ranging from 11 to 26 percent. In these less-dense areas, a relatively small number of unemployed individuals may be capable of driving up unemployment rates, but the north-south disparity remains concerning.

Low unemployment rates can make a prospective firm's search for workers more complicated; rather than offering jobs to residents actively looking work, they must either recruit workers from elsewhere or convince already-employed workers to swap jobs. That said, the factors that tend to lead to low unemployment are those that most employers aggressively seek. DeKalb's lowest-employment areas – Dunwoody, Brookhaven, Decatur, and others in the north and west – are not coincidentally its highest-earning and most-educated. South DeKalb's relatively high unemployment is the product of many factors, including a less-educated population. Continued refinement of DeKalb's workforce training programs may therefore be a prerequisite to recruiting firms to South DeKalb, especially if they are to hire local workers.

Educational Attainment

Scores in the educational attainment category are based upon the percentage of residents in each employment center who have attained high school, bachelor's, and other post-secondary degrees. The geographic distribution of DeKalb's educational attainment largely mirrors its unemployment and income distributions. Bachelor's degrees are most common in northern and western DeKalb, and are relatively rare among residents living south of Decatur and the Stone Mountain Freeway. This distribution reflects the common correlation between a population's education level, employment status, and income potential.

Areas with high concentrations of Latino and Hispanic residents tend to have lower levels of educational attainment whether they are in DeKalb's north or south. The Buford Highway Corridor and Doraville are home to a large Hispanic/Latino contingent. Many of this group's more recent immigrants either did not attend a formal high school in their home country or lack what employers would regard as a GED equivalent. Those who did attend school in the United States tend to have lower graduation rates than DeKalb's white or black residents, likely due in part to language barriers and economic challenges. Assisting DeKalb's lower-income Hispanic and Latino residents to access jobs and needed training may have an outsized impact on the county's workforce, especially if services are offered in both English and Spanish.

DeKalb residents with higher levels of education also tend to cluster in areas with the highest housing costs. While likely reflecting their generally higher earnings potential and incomes, this pattern also points towards a willingness to pay more to live in areas of DeKalb in which schools send more students on to post-secondary education.

Employer Distribution

Employment centers were scored based on their existing concentrations of jobs – particularly in businesses with greater than 100 employees. DeKalb County's largest employers are concentrated in five nodes: around Emory University, in North Druid Hills near the new CHOA campus, in Downtown Decatur and Midtown/Scottdale, in Northlake, and the largest, Perimeter Center. The rest of the county is dominated by smaller businesses, which while critical pieces of the economy, provide a less sizable boost to employment and earnings.

Larger businesses generally tend to pay higher wages to more people than small businesses. Attracting larger businesses to areas like South DeKalb or Doraville can be a key driver of economic development. This does not have to mean corporate headquarters or hospitals; distribution centers, advanced manufacturing facilities, and hybrid headquarters/production facilities for mid-sized businesses all may find South DeKalb attractive and can employ hundreds in good paying jobs with benefits.

Wealth & Income

The wealth and income metric is based upon each employment area's median household income and its population living below the federal poverty line. Median household incomes in any community tend to track closely with educational attainment and the concentration of jobs. Incomes typically are highest where the most firms are located, and visa versa. The SEDP's employment centers provide opportunities for transformative development on both ends of the spectrum. Perimeter Center's median household income of \$94,000 indicates a highly desirable market which housing developers, retailers, and knowledge-economy companies would likely find attractive. Kensington Station, meanwhile is the lowest-income employment center, at just \$37,000. Its swathes of transit-adjacent land may present perfect opportunities for firms to locate near workers eager to improve their earnings or to engage in support industries.

Public Transportation

The public transportation measure was scored based upon an employment center's access to MARTA rail service and/or bus lines (and in the case of bus lines, how many), and takes into account the area's average commute times. Rail service was given larger weight in determining an area's score, to reflect firms' demonstrated preferences for locating near train stations – and their relative indifference to bus stations. The growth and success of communities located directly on MARTA's heavy rail lines has been well-documented. Three lines have at least one stop in DeKalb County, all with direct service into Downtown Atlanta. As noted in Chapter Three, transportation options beyond car-commuting are an increasing driver of value for large employers. The fact that DeKalb has MARTA service while Cobb and Gwinnett Counties do not should be a tremendous competitive asset. Strategic development around DeKalb's stations is needed to maximize this advantage.

Logically, transit usage in DeKalb tends to decrease in areas that are further from transit access. However, transit usage is only somewhat correlated with proximity to a MARTA station. Pockets of the county that are served only by buses show transit usage equal to areas served by rail. For example, a census tract in the Tucker Summit CID employment center has a higher transit ridership rate than a census tract adjacent to the MARTA rail-served Perimeter Center employment area. This trend indicates that many of DeKalb's transit riders are either taking buses or are driving to train stations to commute, and that development patterns around train stations have generally not been dense or walkable enough to maximize transit usage.

MARTA's forthcoming Clifton Corridor expansion from Lindbergh to Emory's campus is a welcome addition. Other long-range capital plans, including the long-discussed I-20 Corridor heavy rail and the northward extension of the Red Line, would require serious conversations about land use planning to maximize their effectiveness. Investing in heavy rail cannot be justified if stop locations do not have the density of residents, workers, and attractions needed to provide riders. It is *especially* unjustifiable if those

communities do not have zoning and plans in place to allow for dense development. Communities like Stonecrest, that may be interested in attracting rail service in the coming decades, will need to examine their zoning and regulations to ensure that parcels near a hypothetical train station can be easily developed at high density when market demand dictates.

Bus service has a critical role to play, but the lack of fixed routes and related infrastructure makes it unlikely to function as a driver of economic development. Planned projects like Bus Rapid Transit (BRT), which seeks to set aside dedicated lanes and station infrastructure, are welcome, low-cost experiments in improving DeKalb's mobility. Development patterns that take advantage of train and BRT stations will increase their effectiveness. That said, even the most efficient bus services may have difficulty attracting riders for long-haul trips to important destinations like Hartsfield-Jackson Atlanta International Airport.

Car Access

An employment center's car access score reflects its access to highways and major arterial roads, as well as its average commute time. While transit-oriented development can help DeKalb reposition itself to be more competitive in the future, the county remains a suburban, car-dependent place in which highway access is critical to economic development. DeKalb boasts access to many of Metro Atlanta's most important highways, in both densely settled areas (like along I-85) and in less-dense, development-ready areas (along I-20).

Over 72 percent of DeKalb residents drive alone to work. The average commute time in 2016 was 32 minutes, and while direct highway access is a driver of land value, it seems to have limited impact on the average commute times of nearby residents. Northlake, for example, has an average commute time of 30 minutes despite being located directly next to I-285. The Downtown Decatur and Emory/CDC employment centers were routinely mentioned as "terrible traffic" areas without highway access during SEDP interviews, yet boasted two of the lowest average commute times: 28 and 23 minutes, respectively. This points to a common phenomenon in American cities: more densely situated, mixed land uses play a larger role in reducing traffic and commute times than providing immediate highway access or expanding highway capacity.

Direct highway access does, however, play an important role in physically challenging industries like distribution and logistics. Distribution centers will choose to locate near highways to cut down on the number of small streets and residential areas that their large trucks must navigate.

Water Infrastructure

The DeKalb Public Works Department provided scores for each employment center's water and sewer capacity. Interviews with stakeholders across the county suggested that DeKalb's recent struggles with water and sewer management were viewed as a significant barrier to economic development. The Public Works Department's analysis accounted for capacity differences across the county. More densely populated areas tended to have more densely developed water and sewer networks, whereas more remote development sites faced more challenging water and sewer hookup processes and a lack of available capacity. Water infrastructure and capacity are particularly important for water-intensive manufacturing industries like food production.

Perimeter Center

Employment Center Profile

Strengths

Perimeter Center is the “geographic center” of Metro Atlanta. As Metro Atlanta has spread north, Perimeter Center’s location has grown in importance. A commercial center for the area’s northern cities, Perimeter represents the closing thing to an intersection of Atlanta’s four major inner counties: Cobb, DeKalb, Fulton, and Gwinnett.

Direct access to both MARTA and several of the region’s most important highways make Perimeter Center a critical crossroads. The intersection of I-285 and GA-400 is one of the state’s most active, and the Dunwoody MARTA station provides direct access into the heart of Atlanta.

Despite auto-oriented development, planned projects are placing an increased emphasis on density and walkability. Significant infill and redevelopment opportunities remain, even as the area has become established as one of Metro Atlanta’s most important activity centers. Developers and planners are increasingly orienting projects towards walkable streets, mixed uses, and transit access.

The Perimeter CID and others are leading infrastructure improvements aimed at both cars and walkability/bike-ability. Ongoing investment in new off-ramp and interchange assets on GA-400 will bring needed upgrades for auto traffic and plans for bike paths connecting several of Perimeter’s most important destinations can encourage multi-modal transportation.

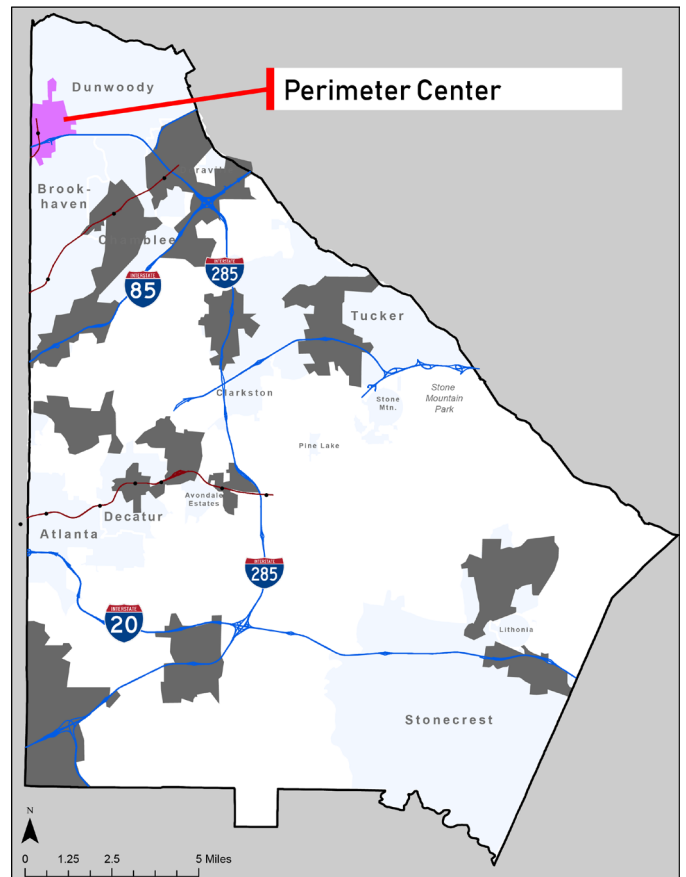
The county’s strongest commercial market makes ambitious projects feasible. Perimeter Center can compete for large corporate and medical employers with almost any community in Metro Atlanta.

Weaknesses

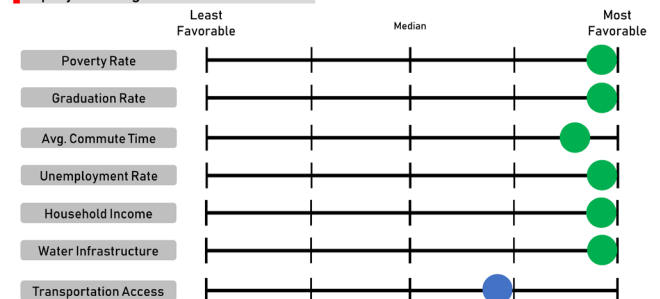
Suburban-style land uses makes for poor pedestrian connectivity and a lack of vibrant streets. Perimeter’s wide and high-speed streets, relatively few crosswalks, surface parking lots, and large setbacks make it an unwelcoming environment for pedestrians. Massive overpasses at I-285 and GA-400 are among the most arduous walking environments in Metro Atlanta. Efforts are underway to address these issues, but progress most likely will be slow and piecemeal.

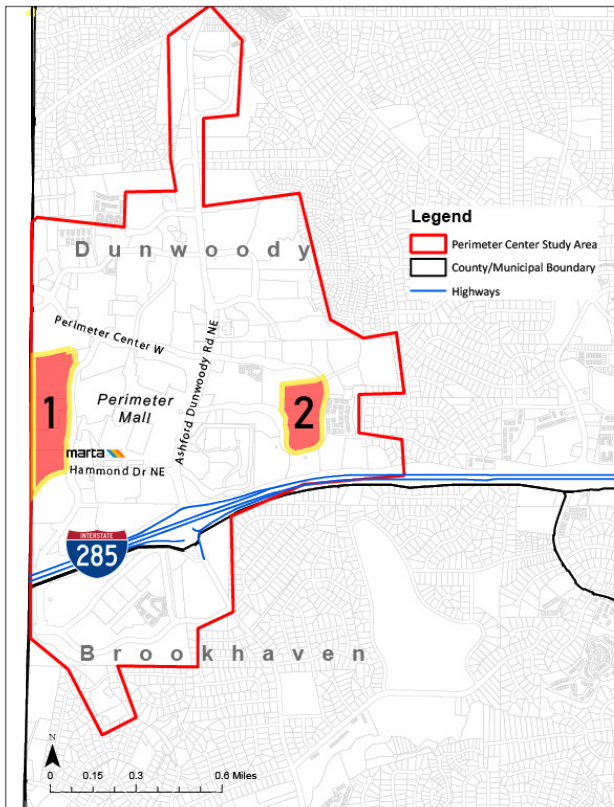
Relatively high land and building costs preclude some uses. Perimeter Center’s strong real estate market is a “double-edged sword.” Some desirable uses, like workforce housing or light production facilities, may not be justifiable given the presence of cheaper land elsewhere.

The area’s mall-focused retail environment may be vulnerable in the face of changing consumer habits. Perimeter Mall’s ability to evolve and incorporate a greater mix of uses may have a profound impact on the overall area’s ability to remain a commercial hub in the decades to come.



Equity Ranking Criteria





Key Sites

High Street Atlanta (1)

- Planned 400,000 sf office, 400,000 sf retail, 3,000 residential units, 400 hotel keys across 3 phases on 42 acres
- Status: Phase 1 approved, construction on hold
- Ideal for corporate office and support industries; some medical physician spaces
- Direct transit connections; focus on pedestrian environment (if not connections to other areas)

Park at Perimeter Center East (2)

- Planned 500,000 sf office, 12,000 sf retail, 900 condos
- Approved as of October 2018, construction imminent

Strategies

Enhanced recruitment/retention collaboration with Dunwoody Economic Development staff. Given the area's strong performance in attracting investment, Decide DeKalb's future involvement may be in a "support role." Clearly defining the city and county's unique roles and responsibilities can help streamline the recruitment and marketing processes and ensure that communications have one voice.

Collateral development for corporate HQ, professional service businesses. Encouraging a range of commercial development types can ensure space for large corporate headquarter offices as well as the smaller support firms that often seek to locate nearby.

Engage with GDEcD, MAC, GIC for joint marketing trips. Perimeter Center's strong marketability should be at the forefront of Metro Atlanta's pitches to site selection experts and industry groups. Building regular relationships with MAC and other local organizations can ensure that opportunities in DeKalb and Perimeter Center are featured prominently.

Encourage strategic infill development to improve connectivity. Work with the City of Dunwoody to encourage strategic development of Perimeter's underutilized parcels, in ways that build vitality and emphasize human-oriented spaces. Perimeter Mall's out-parcels and potential development sites on large surface parking lots can be better utilized to improve walkability and add value. The inclusion of diversely-priced and diversely-sized residential units can help ensure that households across the income spectrum can find housing near job opportunities. Initiatives should be city-led, county-supported.

Target Industries

Healthcare &
Life Sciences

Corp. Headquarters
& Business Ops

I-85 & I-285 Cluster

Employment Center Profile

Strengths

The cluster is located at one of Metro Atlanta's largest and most important highway crossroads. The 'Spaghetti Junction' of I-285 and I-85 is one of the state's most critical pieces of auto infrastructure.

Assembly Yards is one of Metro Atlanta's most potentially catalytic development projects. The in-progress redevelopment of the former GM Assembly site is a generational opportunity to build a mixed-use, from-scratch neighborhood adjacent to two major highways and an on-site MARTA station.

Direct MARTA access provides ample opportunities for transit-oriented infill and redevelopment opportunities. In addition to the work being done on the Assembly Yards site, hundreds of acres of undeveloped or under-developed land are immediately adjacent to the MARTA station on its south side.

Nearby development momentum in Downtown Chamblee can offer a proof of concept for investors. Particularly on the south side of the Doraville MARTA station, developers looking to build mixed-use structures in a historically low-density, auto-oriented space next to a train station can look to adjacent Chamblee for inspiration.

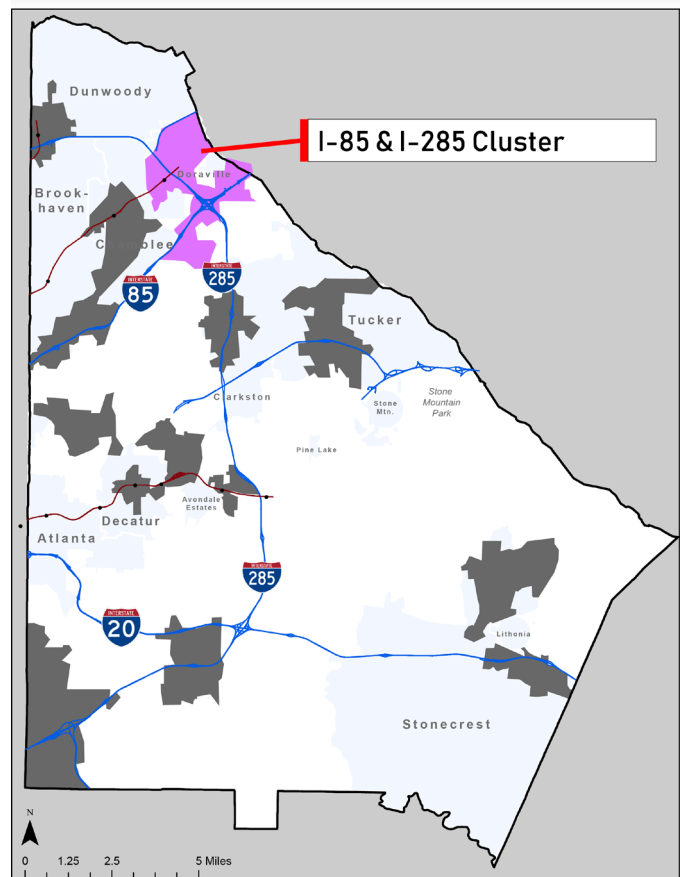
Proximity to PDK Airport may make the cluster attractive for potential employers, especially corporate headquarters. The airport is an important asset for the county to leverage in its marketing pitches to executives, who may find space near the Doraville station to be ideal for access.

The area is home to one of DeKalb's best-situated industrial clusters. On the east side of I-285, warehouse and light manufacturing properties along Pleasantdale Road, Best Friend Road, and others form one of Metro Atlanta's most accessible industrial hubs.

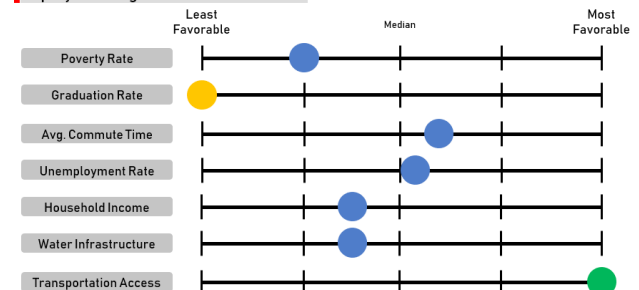
Weaknesses

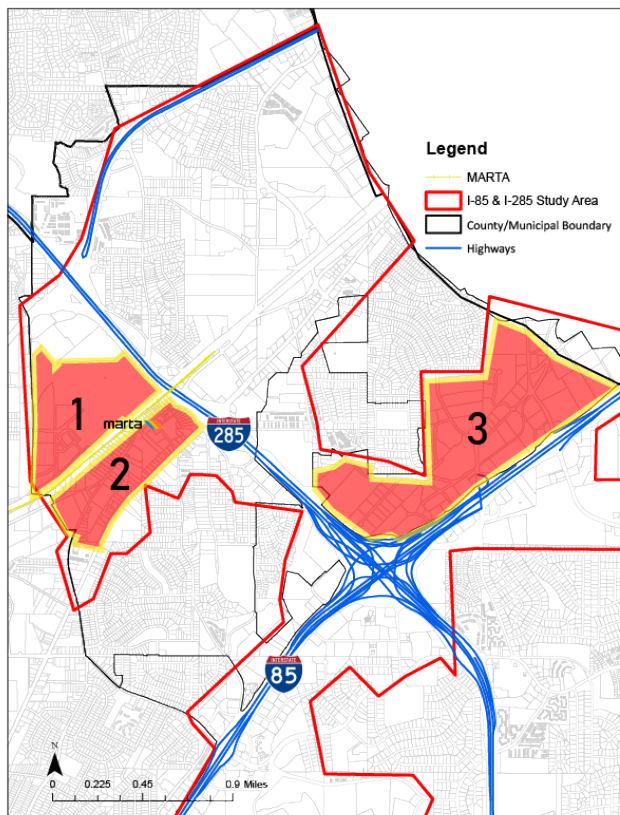
A highly auto-oriented neighborhood, the cluster has very poor street life and pedestrian connectivity. The Assembly Yards master plan hopes to address these issues in its portion of the cluster, boasting direct access to the MARTA station and denser land use patterns. That said, the area is defined by high-speed, extremely wide streets. The two highways and massive cloverleaf interchange make better integrating the area's four quadrants a near-impossible task.

A lack of competitive commercial structures means that most new economic development will require new construction. This can mean added costs that preclude some businesses from sharing in the area's growth.



Equity Ranking Criteria





Key Sites

Assembly Yards (1)

- 165-acre mixed-use, transit-oriented development
- Signed Serta Simmons Bedding HQ as anchor office tenant (250,000 sf)
- Progressive planning steps taken: driverless bus system, code amendments for beverage production

MARTA/Doraville-owned parcels (2)

- Extremely low densities on the opposite side of Doraville station from Assembly Yards project
- County or others may assist with parcel assemblage
- Housing and commercial uses that absorb “halo effect” of Assembly Yards

I-85 Industrial Cluster (3)

- Preserve production/logistics cluster with excellent access
- Work with property owners to identify potential for next-generation facilities

Strategies

Enhance recruitment/retention collaboration with Doraville and Chamblee economic development staff. Filling the anticipated multi-million square feet of office space at Assembly Yards will require cooperation between Decide DeKalb, the developer, and the municipalities. Clear definitions of the cities’ and county’s role in recruiting firms to the area will ensure consistent messaging and present a unified front.

Partner with the DeKalb County Convention & Visitors Bureau and other tourism groups to explore the area’s film tourism potential. Already home to Third Rail Studios and several youth and recreational sports facilities, a tourism-based marketing approach could spur additional development – especially near or on the Assembly Yards site.

Engage in proactive outreach to industrial land owners. Successful development of the Assembly Yards and adjacent parcels will exert real estate market pressures on industrial land uses. Working with industrial business owners to identify short- and long-term visions for the area can help ensure their continued viability in the community. Initiatives may include potential property assemblage or land banking to protect these assets.

Target Industries

Advanced
Manufacturing

Corp. Headquarters
& Business Ops

Logistics &
Distribution

Strengths

Downtown Chamblee has formed a nucleus of dense, walkable transit-oriented development that can serve as a model. The City of Chamblee has effectively redefined its downtown area surrounding the Chamblee MARTA station. This investment serves as market proof that the area is viable for TOD-style development as well as a model that can be replicated elsewhere.

The area has developable parcels of widely varying sizes. Smaller infill opportunities in Downtown Chamblee and near the airport are complemented by large-scale redevelopment opportunities along Chamblee-Tucker Rd. and portions of Peachtree Blvd.

PDK Airport employs thousands and is a critical asset for the county's recruitment efforts. The expanding airport may be particularly attractive to potential corporate headquarters that could make use of private jet space. Growing the capacity of the airport could be a regional economic development tool.

The Peachtree Boulevard corridor has strong accessibility by both car and train to major job centers in DeKalb County and in Central Atlanta. The Chamblee-Brookhaven-Doraville area has similar proximity assets as Perimeter.

Weaknesses

The area is highly auto-oriented in most locations, with poor pedestrian environments outside of the Chamblee Station area. Wide, high-speed roads and large stretches of inactive street edges make the cluster highly car-dependent, with the exception of recent development patterns in Downtown Chamblee.

Airport flight paths limit development on some otherwise desirable parcels. Some developable parcels in the area have substantial restrictions due to the airport's flight path.

The CDC's PDK facility can serve as a key employment anchor, but due to security restrictions is mostly unapproachable for complementary development activity. The CDC's presence benefits PDK and the surrounding area, but most likely will not serve as a catalyst like other CDC facilities in DeKalb County.

Strategies

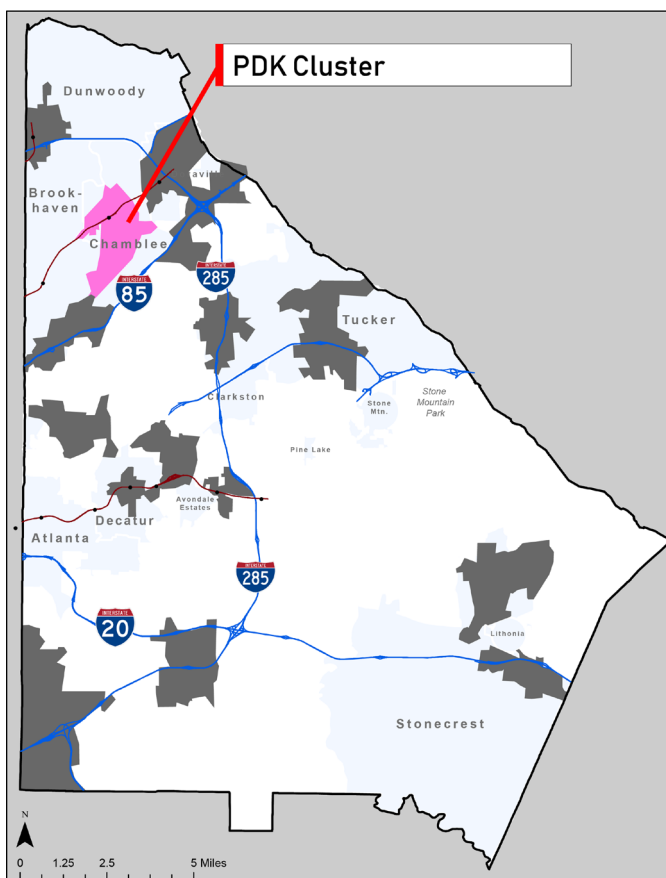
Continue to support airport facility expansion to meet the needs of potential corporate headquarters. PDK plans to expand plane storage capacity within its existing space. This is an opportunity to continue to use the convenience of PDK as a recruitment tool for larger companies.

Situate development in a strategic manner that acknowledges and promotes PDK as a recruitment asset. Growth should complement PDK, ensuring future operations are not encroached upon by development.

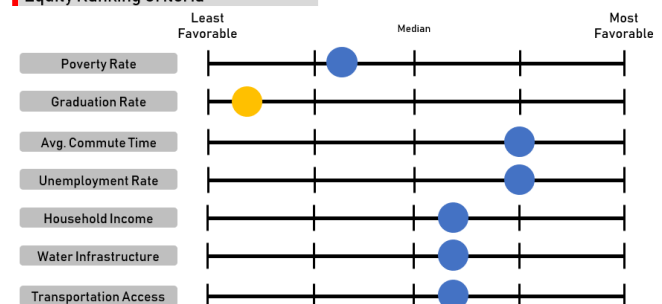
Initiate a regional funding strategy to expand hangar availability on the PDK site. The airport's increased capacity can have outsized benefits in attracting corporate headquarters to the area. Efforts should be made to partner with Cobb, Fulton, and Gwinnett counties to joint fund the growth of plane storage facilities.

Encourage (and assist when necessary) the long-term assemblage of properties west of PDK to Clairmont Road. These critical parcels are likely best utilized by airport-serving businesses or industrial/medical firms that place high value on access to private aviation.

Ensure that future development does not adversely impact CDC and immediate economic opportunities. The CDC is a critical component of DeKalb's healthcare and life science ecosystem, and requires highly specified facilities and access to the airport. These should not be jeopardized by less impactful economic development priorities.



Equity Ranking Criteria



North Druid Hills / Briarcliff

Employment Center Profile

Strengths

CHOA's new \$2 billion medical campus will make the area one of Metro Atlanta's most important healthcare nodes. The 'aura effect' of CHOA's expanding operations offers the potential to remake underutilized portions of Buford Highway and North Druid Hills Road. Medical facilities, office, retail, and new housing to accommodate new workers can help improve the area's vibrancy.

The area is centered upon an I-85 interchange, offering some of DeKalb's quickest car access to Midtown and Downtown Atlanta. The CHOA site boasts car access to Buckhead in as little as ten minutes, and Midtown in 12-15 minutes.

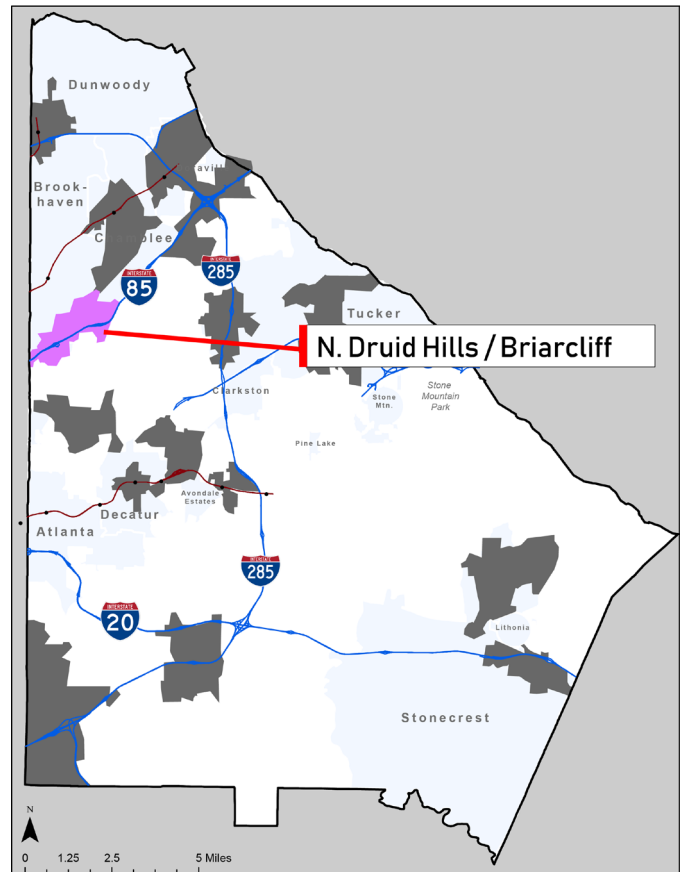
Century Center offers one of DeKalb's most attractive opportunities for large-scale infill and redevelopment. The aging, separated-use office park has reportedly struggled with vacancy and sits within acres of surface parking. Directly adjacent to I-85 and near the new CHOA campus, strategic reinvention of the space could create a new regional, mixed-use commercial hub.



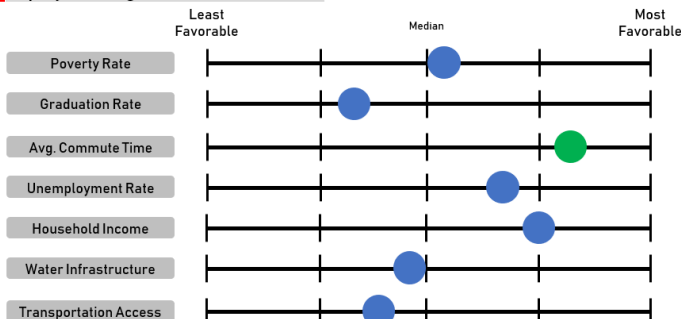
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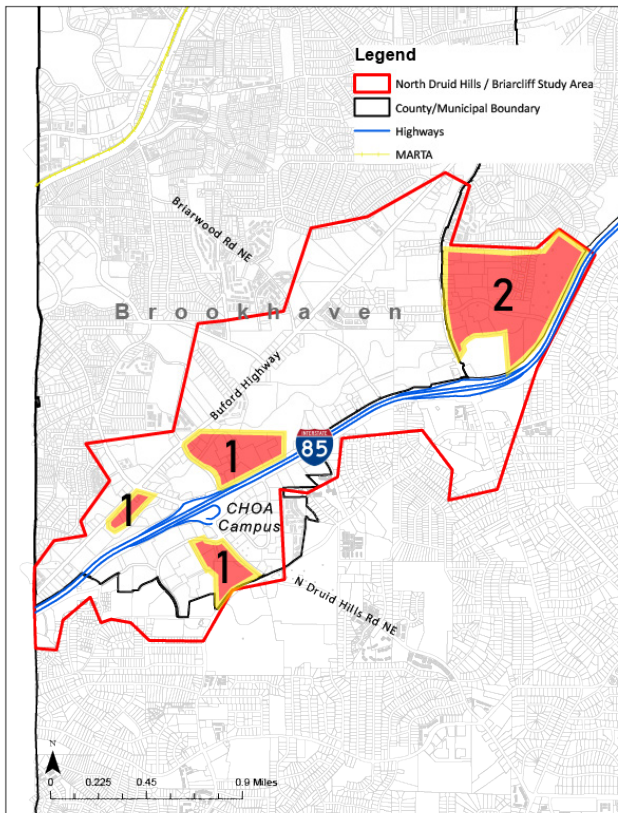
The area has no MARTA access and is highly car-dependent. Unless development patterns change and provide residents access to retail, jobs, and amenities on foot, additional residential development will result in additional traffic without reliable transit.

Low density development and adjacent single-family residential neighborhoods place a limit on walkable/bikeable connections. Critical portions of the employment center north of I-85 are mostly commercial properties that can be repositioned with time. On the south side, however, low-density residential neighborhoods mean improving land uses to take advantage of CHOA and other new amenities will be more difficult.



Equity Ranking Criteria





Key Sites

CHOA Campus out-lot parcels (1)

- 70-acre, \$2 billion campus, 20-plus acres of greenspace to have 'aura effect' on community
- \$40 million transportation investments from CHOA, with local matches
- Opportunities for medical office and housing infill/redevelopment along North Druid Hills & Buford Highway

Century Center (2)

- Infill development to attract better live-work amenities to the area
- Redevelopment of underutilized parcels in the office park

Strategies

Enhance recruitment/retention collaboration with Brookhaven and Chamblee economic development staff.

Connecting potential tenants – especially in the medical field – with property owners along Buford Highway and in Century Center can encourage discussions about the area's future as a healthcare hub.

Coordinate on a niche market strategy for Century Center. The properties have the potential to be among the most transformative in DeKalb, but will require a unique approach given the area's aging but large building stock, and a lack of transit access.

Proactive engagement with CHOA on market/campus development. Decide DeKalb should work closely to understand CHOA's needs for infrastructure and land use improvements near its campus.

Collaborate on housing development/reinvestment strategy for aging apartment complexes. While older, low-density apartment developments may have higher-value land uses, they play a critical role in housing DeKalb's lower-income and immigrant populations. Any redevelopment schemes for these spaces must be accompanied by mitigation programs to provide displaced residents with competitive or better local housing options.

Target Industries

Corp. Headquarters
& Business Ops

Healthcare &
Life Sciences

Strengths

Despite Northlake Mall's struggles, the area is home to a significant existing employment cluster. Office parks along Parklake Drive and industrial spaces along Montreal Industrial Way are home to at least 14,000 jobs in retail, healthcare, manufacturing, and other industries. It is one of DeKalb County's largest employment concentrations.

Northlake has ample redevelopment and in-fill opportunities, including the Mall property. Large parking lots and low-density strip malls may be better utilized as part of a more densely developed, dynamic mixed-use center.

The active and engaged Tucker-Northlake CID is envisioning future uses for Northlake Mall, which may include substantial office and medical components. This vision dovetails with Chapter 4 Target Industry Analysis findings surrounding the medical and life sciences fields. The Northlake CID is well situated to become the conduit between medical treatment, research facilities (i.e. diagnostics laboratories), and medical-based manufacturing.

The surrounding residential community, while low-density, has relatively high incomes and strong purchasing power. A repositioned mall and retail environment would likely find a strong and supportive market, albeit a scaled-down version given the growing regional competition and stagnant demand.

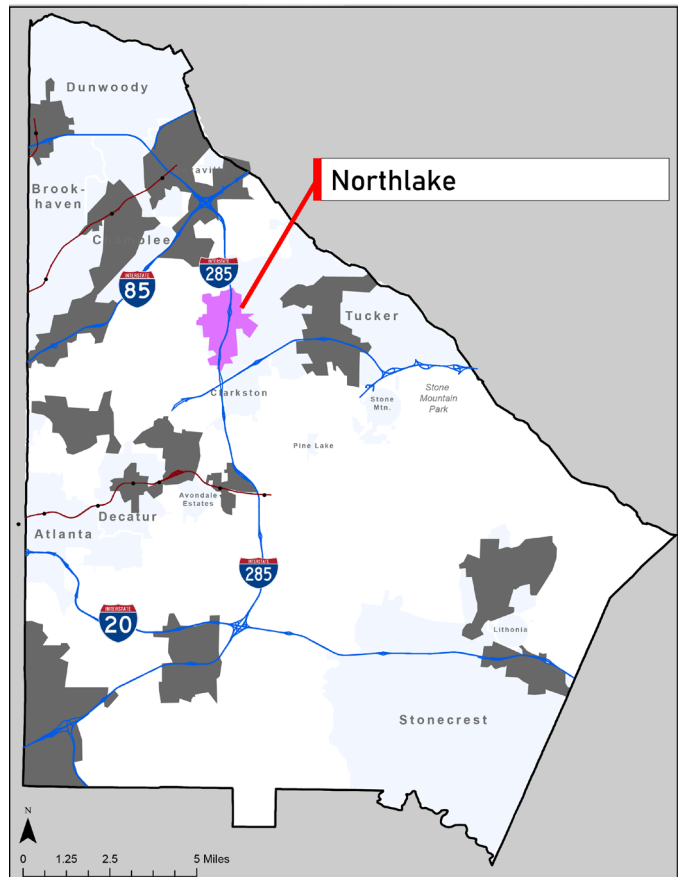
Within northern DeKalb, Northlake is a relatively affordable alternative to Perimeter Center and others. Average land costs and existing structures are both priced well below Perimeter Center and other portions of northwestern DeKalb.

Weaknesses

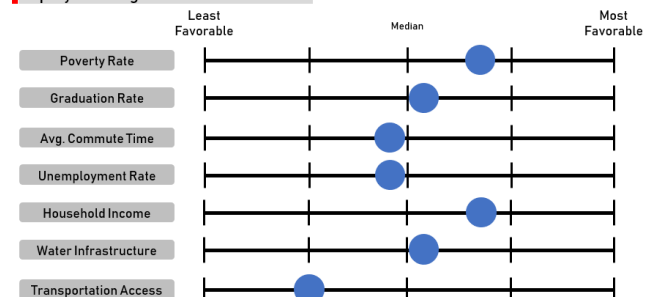
Northlake's retail inventory is aging and out of step with market trends. Changing consumer preferences have seen traditional shopping mall and strip mall environments face a need to evolve or fall behind. Creating an experiential center, potentially with medical services, will be critical to long-term sustainability.

A highly auto-oriented environment with poor pedestrian connectivity makes street-level vibrancy difficult. Large surface parking lots, poor interior circulation road design, wide high-speed arterial connectors, and a lack of pleasant public spaces make Northlake an area that most visitors speed through. A drive-thru only Starbucks makes clear the rarity of residents and shoppers on foot.

A lack of MARTA train access means a greater share of retail will need to be supported by hyper-local housing and office space. The Northlake employment center likely will need to focus on smaller-scale projects than would be feasible at Perimeter. That said, the Tucker/Northlake area has a sizable consumer base, with pockets of substantial wealth.



Equity Ranking Criteria



Strategies

Adjust zoning to better accommodate transformative infill development. This may require reduced setbacks, higher floor-area-ratios and land coverage percentages, and other provisions intended to create more pedestrian-focused environments.

Position new development so that it is accessible to the area's densest employment clusters. The office parks along Parklake Drive and on nearby Lakeside Parkway present a captive consumer base that could be better captured with more strategic land use.

The Mall and surrounding properties present opportunities for medical office and/or research development. These can increase the area's daytime population and cut down on visitors' reliance on cars. The Mall's owner, ATR Corinth Partners, is reportedly motivated to reposition the mall and engage with new users.

A market for multi-family housing on the Mall's out-lots likely exists. These can provide much-needed customers for the area's retail, as well as workers near a job center, thereby reducing economic development's potential traffic impacts.

Target Industries

Corp. Headquarters
& Business Ops

Healthcare &
Life Sciences

Tucker Summit CID

Employment Center Profile

Strengths

The Tucker Summit CID is home to DeKalb's largest industrial and land-intensive commercial cluster. The area's size allows for one of Metro Atlanta's most diverse mixes of industrial uses, from distribution and light manufacturing to the recently constructed EGL Genetics laboratory.

The Tucker Summit CID organization is active and engaged. In addition to beautification and safety-related projects, the CID assists in the solicitation of new businesses. The CID has also reportedly invested in infrastructure improvements that have made "the entire area more freight-friendly."

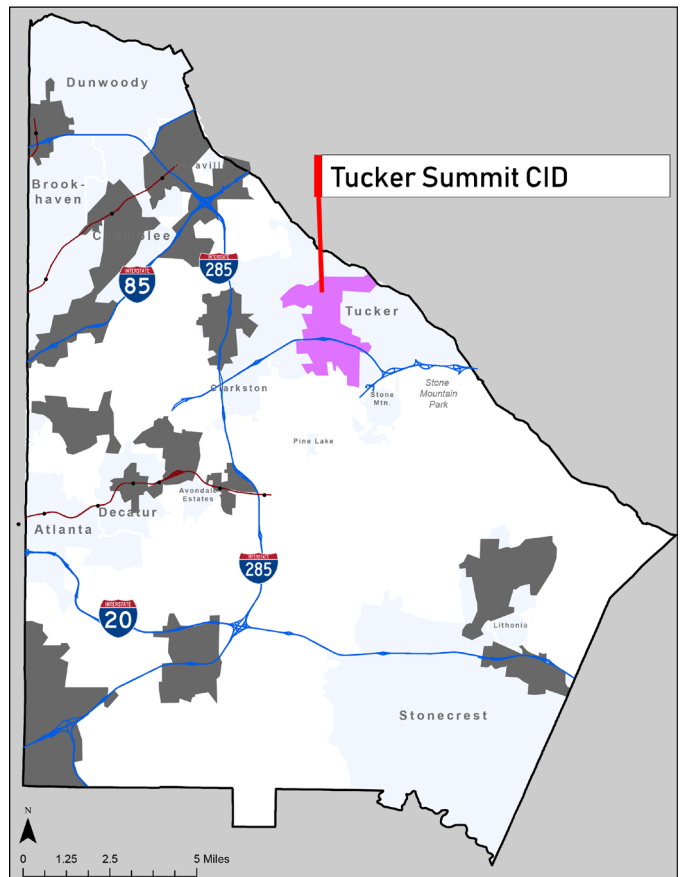
Location entirely inside one municipality – Tucker – allows for a clarity of message and permitting processes. CID staff cite a strong working relationship with the City of Tucker, as well as its business-friendly approval and permitting processes, as one of its key success drivers.

The CID has several potentially catalytic parcels with redevelopment opportunities. Despite the high number of firms that call the CID home, it is not without large, high-potential development sites. The former Sears distribution center property is among the most-discussed in DeKalb County due to contentious public processes concerning its future use.

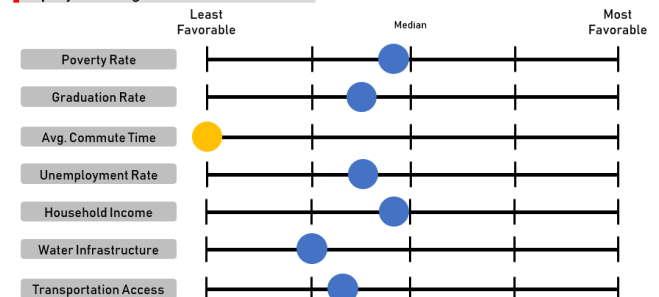
Weaknesses

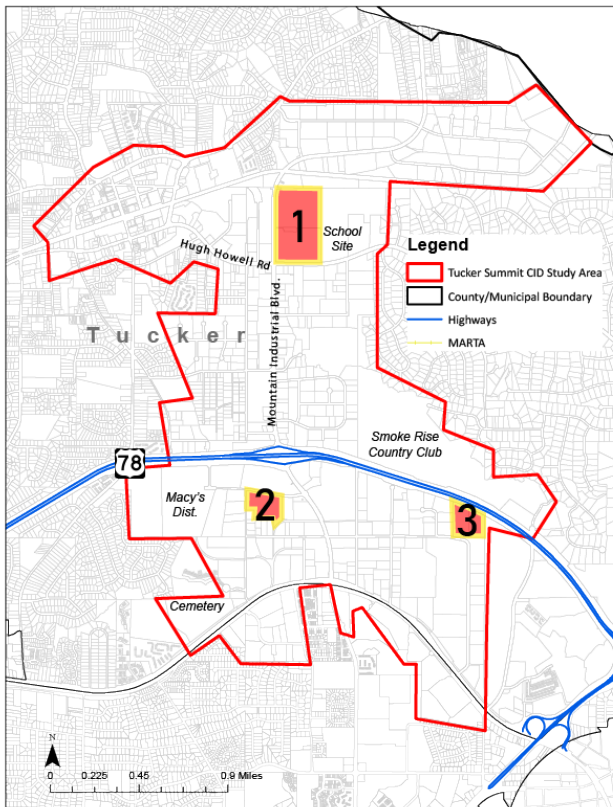
The CID has an aged building stock and has seen a lack of new construction. The area embodies DeKalb County's lack of new, state-of-the-art, move-in ready industrial properties. Most structures are functionally obsolete to today's market standards and suited mostly to legacy manufacturing and distribution industries. These are important, but relatively low-growth sectors.

There are few transportation options, and limited mixed-use development opportunities due to the area's building patterns and regulatory environment. Traffic is routinely cited as a concern, but with few transit choices and a strictly segregated set of land uses, it is unlikely to improve. Furthermore, Tucker has land use policies that restrict mixed-use infill development even in the City's downtown.



Equity Ranking Criteria





Key Sites

Former Sears Parcel (1)

- Status pending; school to be built on portion of site nearest Smoke Rise low-density residential neighborhood
- Opportunity for large-scale light industrial/corporate headquarters
- Heavily politicized site – development may require education/outreach campaign

4561 Greer Circle (2)

- Undeveloped parcel in industrial park

1670-1671 Veal Mill Rd. (3)

- Undeveloped parcel in industrial park, opposite Pepsi Bottling facility

Strategies

Enhanced recruitment/retention collaboration with Tucker Economic Development staff. Decide DeKalb, in addition to defining the city and county's roles and responsibilities, can help steer a conversation about the employment center's vision for itself.

Engage with GDEcD, MAC, GIC for joint marketing trips. Decide DeKalb should assist in directing advanced manufacturing, information technology, and potentially medical manufacturing-related facilities to the area.

Monitor the City's downtown plan, which will help inform the industrial cluster's future. The plan should be a city-led, county-engaged process, as decisions regarding Tucker's future land uses will be critical. Real estate market pressures may lead property owners to consider converting underutilized industrial parcels into other uses, which may have far-reaching consequences for the cluster's long-term viability.

Target Industries

Logistics & Distribution

Advanced Manufacturing

Strengths

The neighborhood is home to world-class life sciences research and patient care. Emory University, Emory Healthcare, and the Centers for Disease Control and Prevention are anchor institutions that ensure the area's long-term relevance as a center of education and health employment.

The area is one of DeKalb's more walkable, mixed-use environments. Despite some inactive areas, new development along Clifton Road and elsewhere has placed a new emphasis on active streetscapes and walkability.

The planned Clifton Corridor MARTA expansion will bring fixed-line transit access to the area. MARTA's investment can unlock the power of transit-oriented development and improve regional access to the cluster's employment opportunities.

The cluster is located in close proximity to Central Atlanta. While traffic complications exist, the Emory/CDC cluster is the nearest of the 14 identified employment centers to Downtown Atlanta.

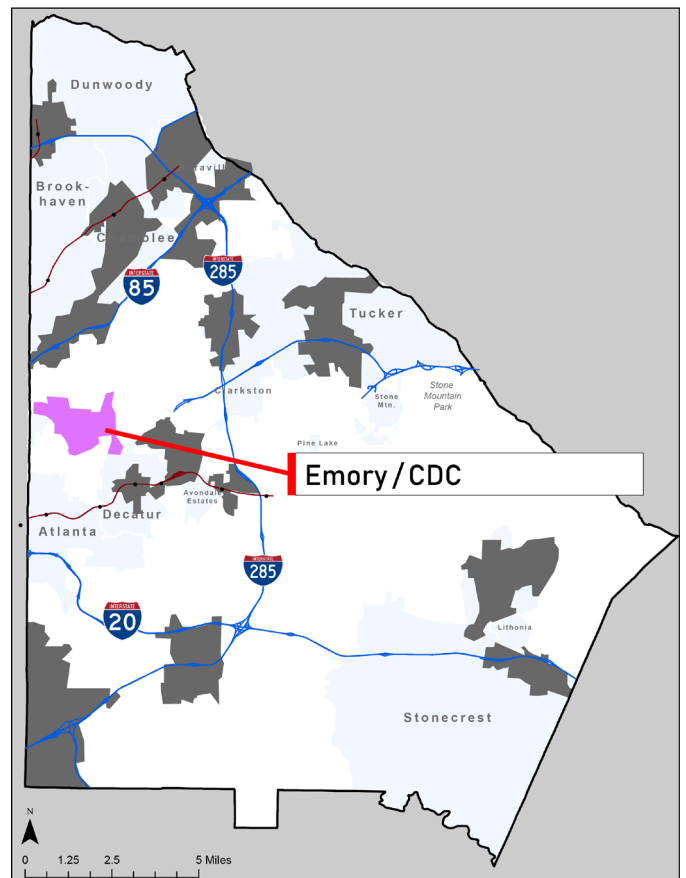
A highly-educated local workforce will be attractive to employers of many different types. In addition to a relatively high-earning, highly-educated set of residents, firms have direct access to Emory students for recruitment and cooperative research initiatives.

Weaknesses

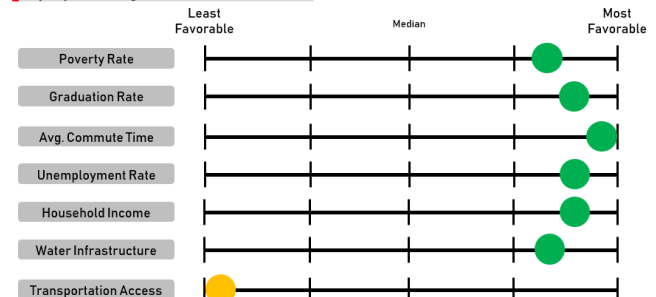
The area has relatively little developable land. As commercial infill development on the Emory and CDC campuses will not occur, relatively few parcels are "shovel-ready." Topography on the cluster's north side and dense residential communities on most other edges mean that infill development will need to be creative.

High land costs may preclude some uses. Proximity to Emory and to Central Atlanta make the area some of the county's most highly-coveted land.

Without direct highway access, traffic difficulties can hinder movement. The planned MARTA expansion will help, but the region's car-focused land uses mean traffic will continue. CHOA cited traffic woes as a reason for its move from facilities in this employment cluster to the North Druid Hills / Briarcliff area.



Equity Ranking Criteria



Strategies

Build a direct partnership with Emory and the CDC to explore potential economic development opportunities.

Beneficial partnerships may be located within this employment center, within other identified health clusters, or in the foundation of indirect/spinoff development opportunities.

Engage with GDEcD, MAC, GIC as partners in a health research recruitment and retention strategy. Connecting regional organizations to the County's plans for growing its largest target industry can ensure that DeKalb is top of mind when firms in the Life Sciences or Healthcare industries are scouting sites within Metro Atlanta.

Explore infill development strategies to accommodate the needs of both the medical community and the university. Given the lack of development-ready land, planning efforts can steer new development towards small- and mid-scale infill that encourages walkability and provides space for additional jobs near the health cluster. Partnering with the City of Atlanta and its economic development organizations may be key to identifying opportunities.

Target Industries

Healthcare &
Life Sciences

Downtown Decatur

Employment Center Profile

Strengths

Downtown Decatur is DeKalb County's most walkable community. Its vibrant retail, restaurants, and street environment are directly related to its relative density, mix of uses, and multi-modal access.

Direct MARTA train access is a major asset and makes Downtown Decatur an extension of Downtown Atlanta's business ecosystem. Virtually all development within Downtown Decatur is by definition transit-oriented development; maximizing the number of residents and workers that can easily access the stop can help reduce traffic and boost economic activity.

Best-in-class schools and safety should make selling Decatur's quality of life a strong component of the County's recruitment strategy. Corporate headquarters and complementary professional services firms would likely find tremendous value in Downtown Decatur, especially in comparison with other cities in a national site selection search.

Downtown Decatur's existing real estate assets have established a market for mixed-use development. The proof of concept that developers often require before committing to an investment already exists and has succeeded in Decatur's downtown.

Weaknesses

While still relatively inexpensive, Downtown Decatur has high land costs and rents/purchase prices for DeKalb County. This may preclude some small businesses or lower-rent projects from locating in the area.

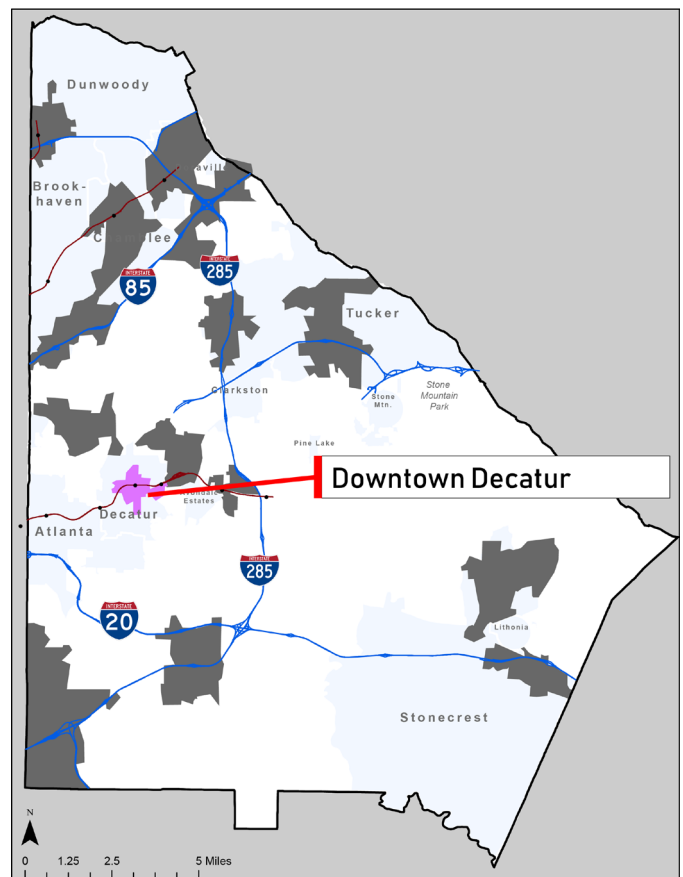
The area has a limited number of development-ready parcels. While there are still some undeveloped parking lot parcels, many development opportunities will be redevelopment projects or involve demolition before construction.

Downtown Decatur lacks direct highway access. Some firms will value direct highway access above almost any other factor during site selection processes.

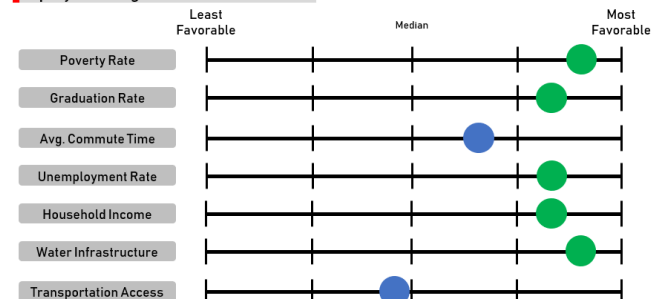
Strategies

Engage Decatur's economic development staff on defining the city's short term and long-term strategy/needs. As priorities for downtown development shift, DDDA can play a role in advocating for land use decisions that enable target industry growth. Defining the lines between City and County responsibility will be key to smooth implementation.

Provide the City with support on community outreach and education tasks. Proactive engagement before project approvals are needed can help improve buy-in.



Equity Ranking Criteria



Strengths

The area is home to a highly diverse mix of land uses.

Industrial parcels, dense-developing, transit-oriented residential, large-scale commercial, and medical offices all play a role in one of the county's most naturally mixed-use clusters.

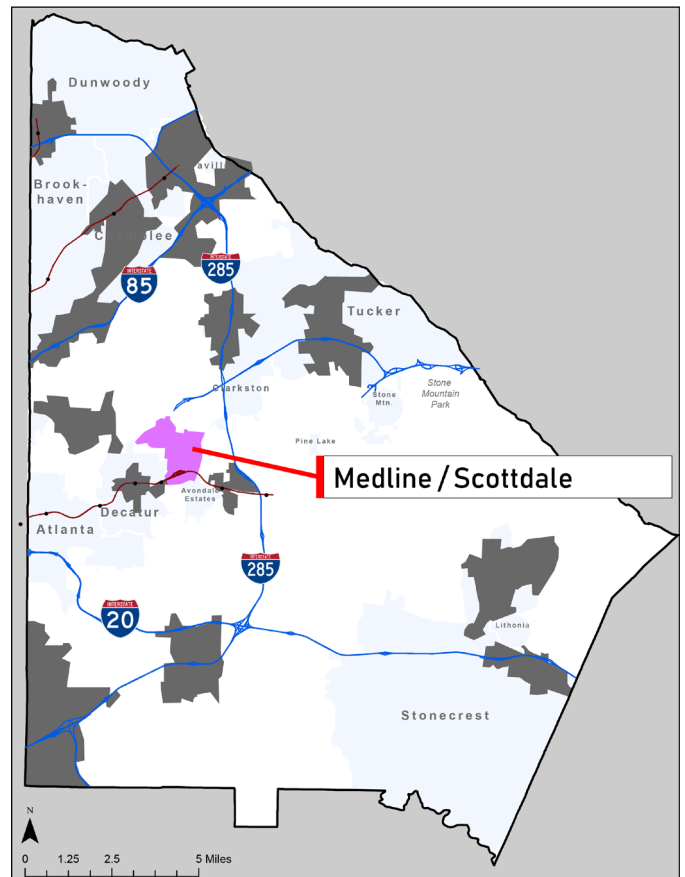
Its location at the center of two desirable neighborhoods makes for a strong market. Decatur and Avondale Estates are two growing, in-demand communities; the Medline/Scottdale area provides larger-scale development opportunities that still offer direct access to both.

A dedicated MARTA station presents opportunities for catalytic transit-oriented development. The long-term vision for the land-intensive Avondale Yard and adjacent industrial parcels may help inform Medline/Scottdale's potential as DeKalb's next great mixed-use commercial and residential hub.

Strong access to I-285 and US Route 78 provides good auto connectivity. While lacking direct highway access, the area's proximity to Decatur, Atlanta, and points north and south via the nearby I-285 exits at Church Street / Clarkston and US Route 78 / Stone Mountain Freeway make it a connected location.

Redevelopment opportunities exist, especially on older retail and industrial properties. The Avondale Yard and adjacent properties, including the long-awaited Your DeKalb Farmer's Market out-lot site, could host transformative projects that spur economic development.

Emory Decatur Hospital can be the centerpiece of a healthcare node with potential cost advantages versus the Emory/CDC and Perimeter Center employment areas. The hospital is part of the renowned Emory Health network, with opportunities for 'halo effect' development.

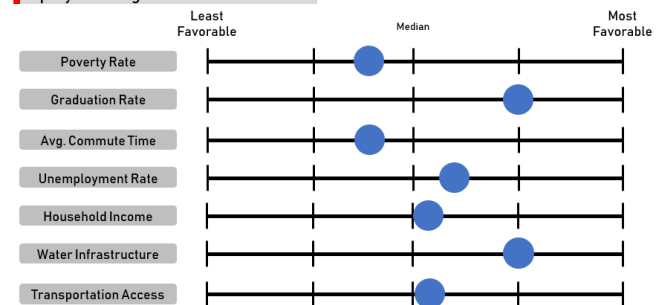


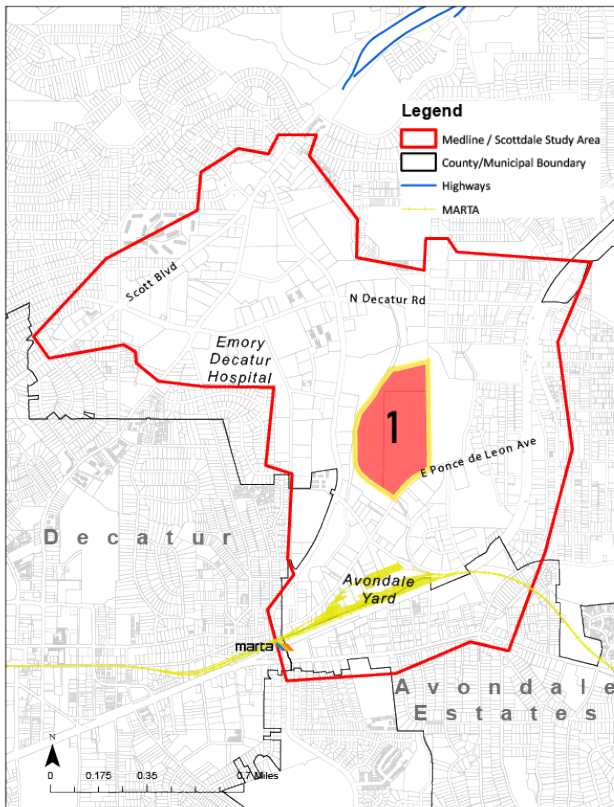
Weaknesses

The area is highly auto-oriented in most locations, with poor pedestrian environments even near the train station. Adapting the area for transit-oriented development will require making Medline/Scottdale a more walkable community, with added pedestrian infrastructure and connections.

The Medline/Scottdale employment center spans three jurisdictions, potentially complicating strategy and approval processes. Decatur, Avondale Estates, and unincorporated DeKalb are, in some cases, in competition, and political considerations may present a barrier to meaningful economic development efforts.

Equity Ranking Criteria





Key Sites

Your DeKalb Farmer's Market out-lot (1)

- Planned expansion of grocery store has stalled for years
- New installation of retaining wall
- ARC-issued report in 2014 urging caution on creating massive parking lot and 550,000 sf retail
- Opportunity to steer project towards more diverse land use with improved connections – relationship building and long-term outlook key

Strategies

Create a comprehensive healthcare strategy, involving all local healthcare facilities in strategic planning. As the county's largest employment sector, healthcare uses can occupy a series of anchor projects and establish Medline/Scottdale as "Central DeKalb's" healthcare hub.

Encourage and guide collateral development for a healthcare and life sciences cluster. Underutilized or vacant industrial parcels can accommodate medical facilities that complement the Emory Decatur Hospital.

Affirm the long-term strategy for the Avondale Yard. Whatever its future uses, improved connectivity across the site's sprawling train tracks will be key to making a more accessible, walkable neighborhood.

Target Industries

Healthcare &
Life Sciences

Kensington Station

Employment Center Profile

Strengths

The employment center is mostly defined by its opportunity: developable parcels (many publicly-owned), immediately adjacent to an underutilized MARTA station. The sites are among Metro Atlanta's most development-ready transit-oriented real estate opportunities.

Direct access to I-285 can make Kensington Station a multi-modal hub. Potential development and redevelopment sites can meet employers' preference for direct highway accessibility.

The area was identified as "Regional Center" in DeKalb County's Comprehensive Plan and Future Land Use Map. While the area is low-density and lacks substantial employment opportunities and amenities today, the County already considers Kensington Station as an ideal location for higher-density development that serves as a commercial center.

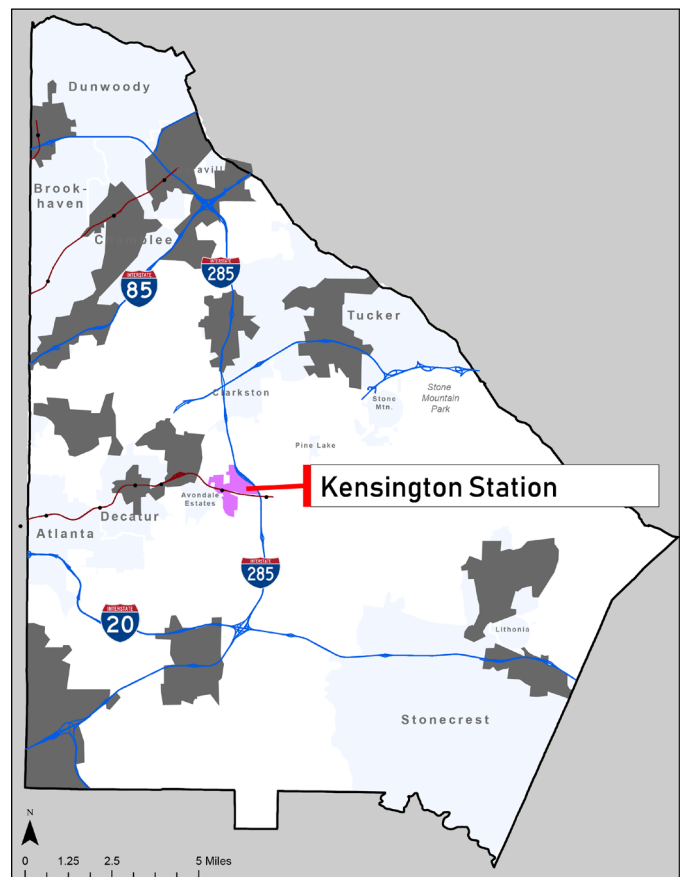


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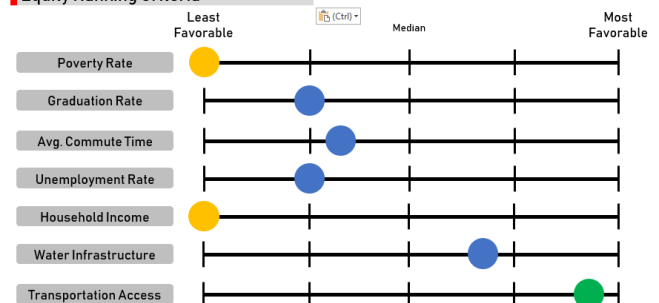
Sites are near existing low-density residential streets. Space constraints have been a barrier to development in previous attempts to build on Kensington Station's sites and may continue to be so without proper outreach and education.

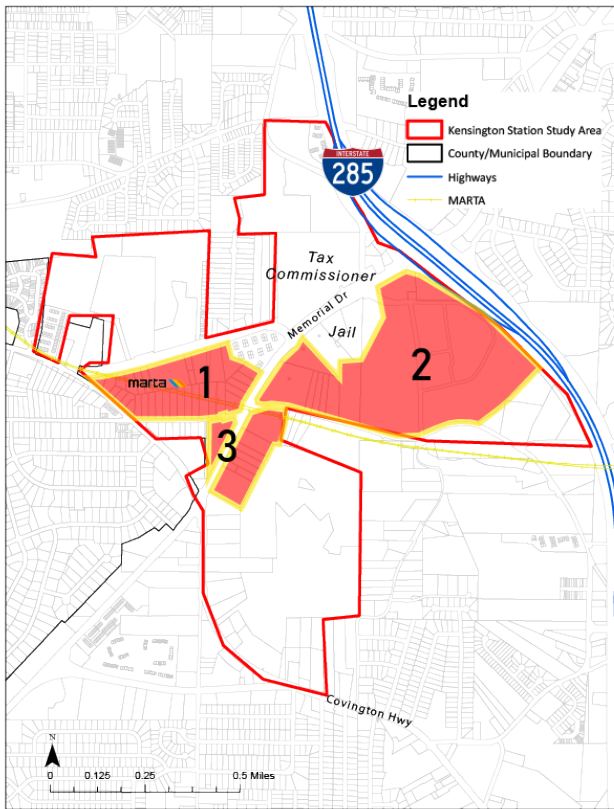
Nearby land uses like the DeKalb County Jail may affect the potential of some uses. It remains unclear if the market for new-construction residential or office space would be negatively affected by the jail and adjacent buildings, which define the corridor adjacent to the I-285 exit.

Development along Memorial Drive will likely require parcel assemblage. Several small, abnormally-shaped lots mean that catalytic projects will depend upon a developer (or Decide DeKalb) purchasing adjacent parcels that today are home to different uses.



Equity Ranking Criteria





Key Sites

MARTA-owned out-parcels (1)

- MARTA is actively seeking developers for affordable housing on parking lot site
- Unlikely to attract small/community-serving retail without market rate housing or office on site
- Address previous concerns of low-density neighbors

County-owned "Regional Center" parcels (2)

- Identified as target area for higher-density job and housing cluster in Comprehensive Plan Future Land Use Map
- Target uses unaffected by jail facility

Other underutilized TOD opportunities (3)

- Include parcels with aging or low-value municipal structures and/or surface parking

Strategies

Ensure proactive coordination with external and internal landowning partners. Kensington's most critical parcels are in the hands of public organizations. Early and frequent engagement with MARTA and relevant DeKalb County departments can ensure that their visions for the area's long-term success are aligned.

Define a vision for the area before making plans. Guiding relevant property owners to a sustainable long-term strategy for Kensington Station will likely fall on Decide DeKalb and economic development staff at the County.

Engage County entities to understand relocation/reuse potential. While some of the County-owned properties and uses near Kensington Station are unlikely to change in the foreseeable future, others may be more flexible. If so, these parcels can serve as early opportunity sites in the community's transition into a planned "regional center."

Identify catalytic impacts on surrounding development. Strategic connections and development decisions may lead to the inclusion of parcels next to the nearby Indian Creek station as part of Kensington Station's growth vision.

Use land use buffers to minimize market impacts of the jail and other properties. Businesses are unlikely to view the Jail as a location factor, although its proximity may have effects on the area's residential market. Urban design and land use planning can ensure that the Jail and similar properties are abutted by less-impacted commercial uses, with residential uses located on the other side of the buffer.

Target Industries

Corp. Headquarters
& Business Ops

Bouldercrest Logistics Cluster

Employment Center Profile

Strengths

Bouldercrest is well-established as one of Metro Atlanta's leading logistics clusters, and the center of DeKalb's trucking industry. The area is situated between major shipping ports at Hartsfield-Jackson Atlanta International Airport and the growing seaport at Savannah. Easy trucking access to I-20, I-285, and I-75 via the I-675 connector makes Bouldercrest one of Metro Atlanta's best-located logistics nodes.

Large parcels remain available at low cost, making attractive opportunities for manufacturers, distribution, and trucking firms. Potential development sites along Moreland Avenue and on open space near I-675 should be among Metro Atlanta's most competitive for future distribution and warehouse projects.

The Metro Couth CID is leading physical improvement projects aimed at attracting and retaining businesses. Focused on beautification, infrastructure, and security, the CID has taken the lead on improvements that in many cases should have proactive County investment/involvement.

Blackhall Studios' expanding campus illustrates the opportunity for film, entertainment, and other creative firms to find large spaces in strategic locations. The Bouldercrest area has competitive advantages that are attractive to more than just distribution and logistics firms; a more diverse range of jobs can bring needed employment opportunities to South DeKalb's workforce.

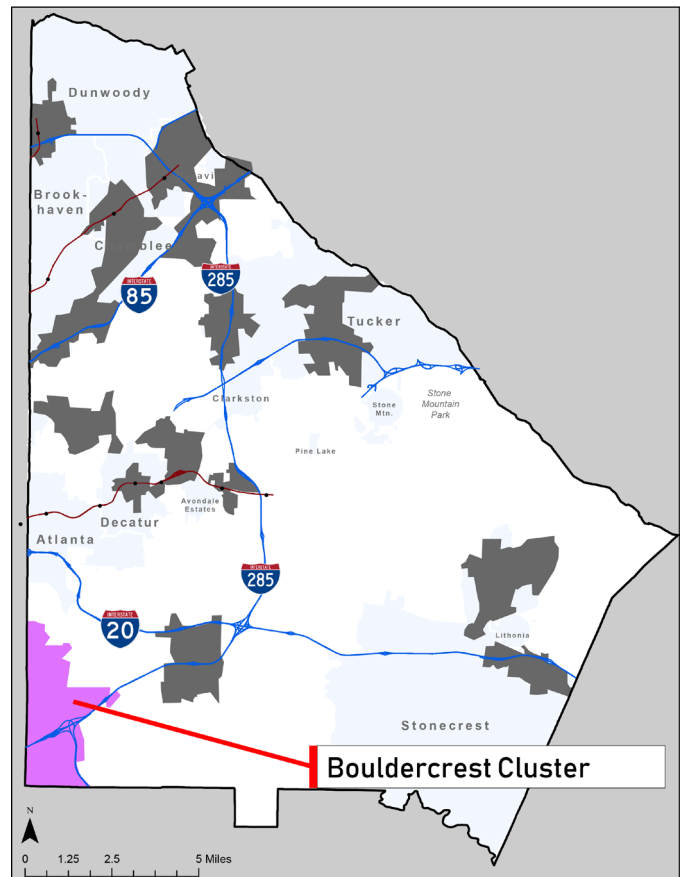
Large-scale opportunities exist for the redevelopment of vacant shopping centers. Reimagining underutilized retail spaces – often with copious amounts of surface parking – may consist of converting the sites into industrial facilities or distribution centers.

Weaknesses

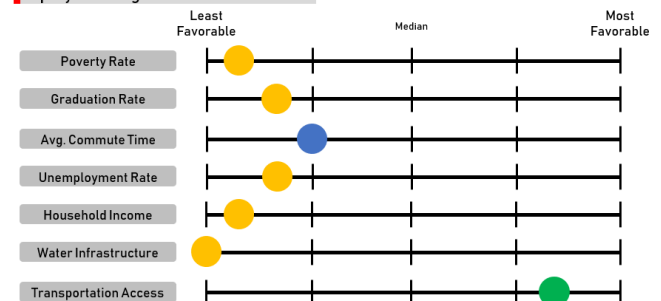
Road upgrades are needed. Some portions of the road network were not constructed for today's trucks, which are larger than those in previous decades. Roads with small turning radii, for example, can lead to costly backups and lost time.

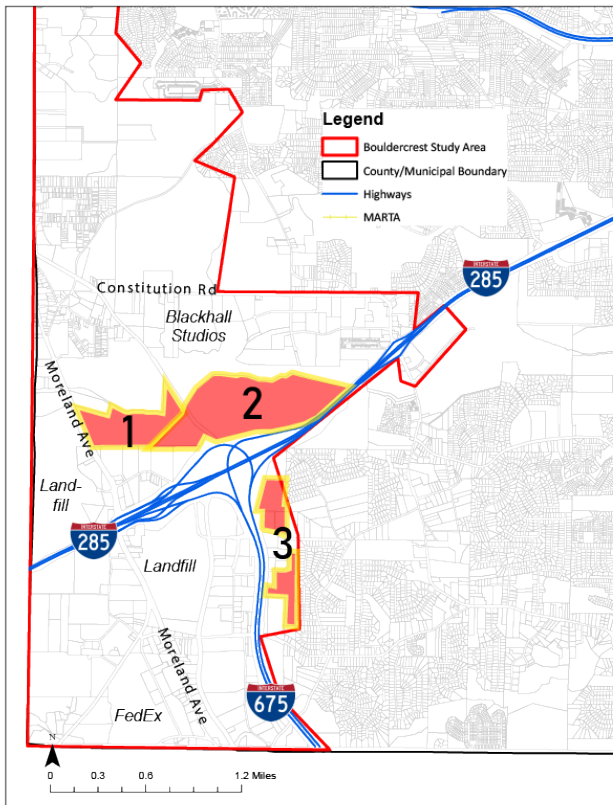
The area's trucking and logistics firms reported a long history of lengthy permitting processes and other difficulties engaging with the county. As noted elsewhere in this analysis, the County's land development processes have improved, but need further recalibration to balance expediency, predictability, and consistency with quality outcomes.

Truck storage is a key industry, but is a highly land-intensive use. Dedicating space to truck storage can be a lucrative short-term option for economic development but reduces the space available for uses that could have a more positive long-term impact on the county's economy. area's ability to remain a commercial hub in the decades to come.



Equity Ranking Criteria





Key Sites

Crown Parcel at Moreland Ave. (1)

- 33-35 developable acres just off I-285.
- Identified as high-potential by Georgia Power

Greenfields at I-675 and I-285 (2)

- Opportunities to expand the Blackhall Studios cluster
- Spaces owned by single owner
- Potential for activation of rail spurs
- Identified as high-potential by Georgia Power

Redevelopment east of I-675 (3)

- Junkyard and adjacent greenfields, zoned for light industrial
- Maintain buffer with residential area to east
- Southern parcel is in approval process for expanded truck parking facility

Strategies

Encourage collateral development for the logistics cluster. Some adjacent parcels are development ready and may need simple infrastructure upgrades to make investment a reality.

Engage with GDECD, MAC, GIC for joint recruitment efforts. MAC and other organizations have reported a lack of communication regarding DeKalb's interest in building the transportation and logistics sector.

Consider logistics expansion north on Moreland to Moreland Shopping Center property. The distribution industry's success in Bouldercrest stands in stark contrast to its retail sector; converting underutilized retail properties can create value on sites that today are often characterized as "blight."

Investigate the potential impacts of establishing a Free Trade Zone (FTZ). The reduction of tariffs and other tax impacts faced by firms that engage in international trade can attract foreign investment and help DeKalb's existing firms to export goods more easily.

Target Industries

Logistics & Distribution

Advanced Manufacturing

South DeKalb Cluster

Employment Center Profile

Strengths

While retailers have struggled, the Panthersville area remains a center of employment within South DeKalb. Retail, educational services, distribution, and public administration jobs, relatively near Downtown Atlanta, make the area South DeKalb's most accessible employment center.

Direct access to two major highways makes the South DeKalb Cluster well positioned to draw workers from many DeKalb communities as well as neighboring counties. The area can serve as a commercial gateway to Central Atlanta for workers from neighboring Henry, Clayton, and Rockdale Counties.

Situated near DeKalb County's western edge, the area may be the closest, cheapest option for many employers and residents seeking proximity to Central Atlanta. Few spaces in all of Metro Atlanta can boast large development opportunities as close to Atlanta and as inexpensive as the South DeKalb Cluster.

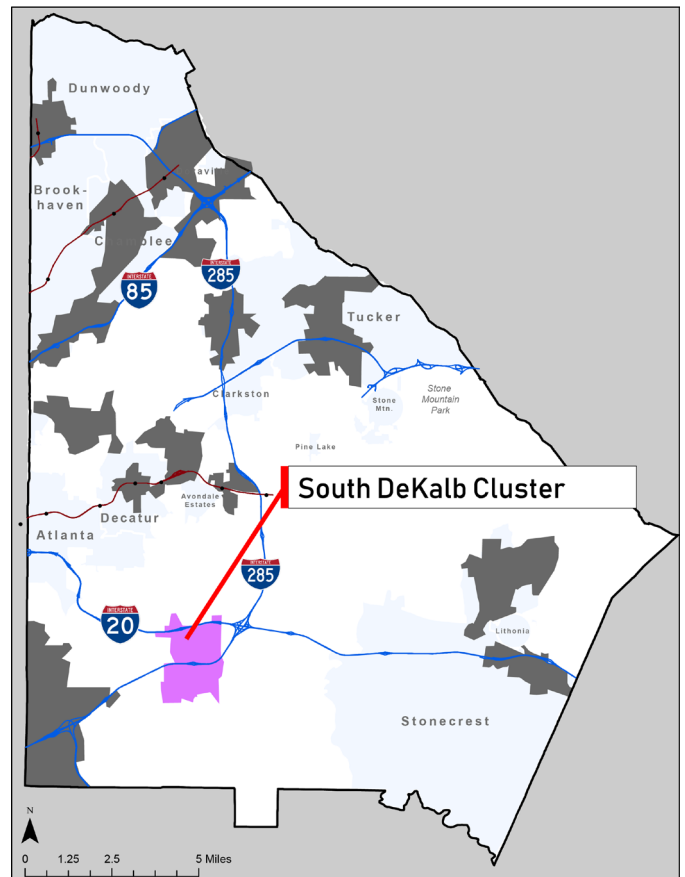
Existing anchors like Georgia State University – Perimeter College and the Georgia Bureau of Investigation can be leveraged to support early housing and office projects. As employers likely to remain in the area long-term, partnering with GSU and the GBI may help identify potential support businesses or retailers that could benefit from locating nearby.

Weaknesses

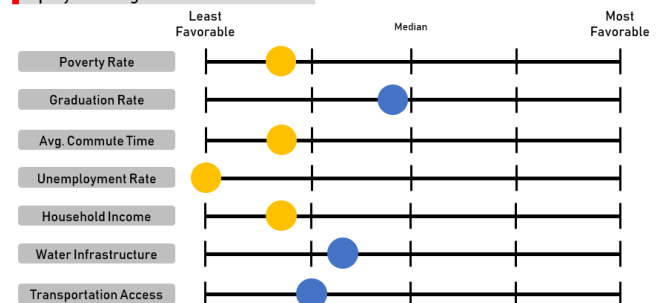
The employment base is largely comprised of low-wage retail and hospitality jobs. Combined with a relatively low-income residential population, the market for retail or higher-wage employees remains small.

An aging, auto-oriented building stock has relatively few move-in ready opportunities for prospective employers. Large surface parking lots and outdated "big box" retail structures characterize much of the area's centrally-located commercial stock. New firms would likely have to invest significant money in developing new spaces.

South DeKalb faces lingering concerns over education, safety, and other quality of life measures. Despite improvements, some firms may walk away from otherwise strong opportunities due to perceptions of the area as unsafe or undesirable.



Equity Ranking Criteria



Strategies

Position any retail components at more visible portions of the South DeKalb Mall property, situating light manufacturing or office components in others. The Mall's position behind foliage and below grade on Candler Road diminishes visibility, which is critical to most retail outlets.

Market development opportunities on out-lots with strong access to I-20 and I-285, geographically close to Hartsfield-Jackson Atlanta International Airport and Downtown Atlanta. Advanced manufacturing firms may find the space and access to be especially appealing.

Partner with property owner and industry groups to explore opportunities for corporate/light manufacturing combination clusters. These can provide growing businesses with affordable, highly accessible spaces to couple offices with production facilities.

Investigate the potential impacts of establishing a Free Trade Zone (FTZ). The reduction of tariffs and other tax impacts faced by firms that engage in international trade can attract foreign investment and help DeKalb's existing firms to export goods more easily.

Incorporate new housing into a small-scale, neighborhood-focused mixed-use center. Additional residents and workers can create a small base for community-focused retail outlets. The area already performs some "town center" functions like hosting early voting.

Target Industries

Corp. Headquarters
& Business Ops

Logistics &
Distribution

Advanced
Manufacturing

Lithonia Industrial Cluster

Employment Center Profile

Strengths

The Lithonia area is home to a strong existing cluster of industrial activity. Lithonia Industrial Boulevard forms the backbone of one of DeKalb County's largest industrial and distribution nodes.

Proximity to I-20 allows for easy east/west access to Hartsfield/Jackson Atlanta International Airport and into neighboring counties. The Lithonia area has direct connectivity to the airport and the state's ports.

The area boasts some of DeKalb's largest developable parcels, including a "100-acre" site in the employment center's northern section. DeKalb County has few large development parcels that are well suited for industrial/logistics development. Proactive marketing of this asset could generate substantial interest.

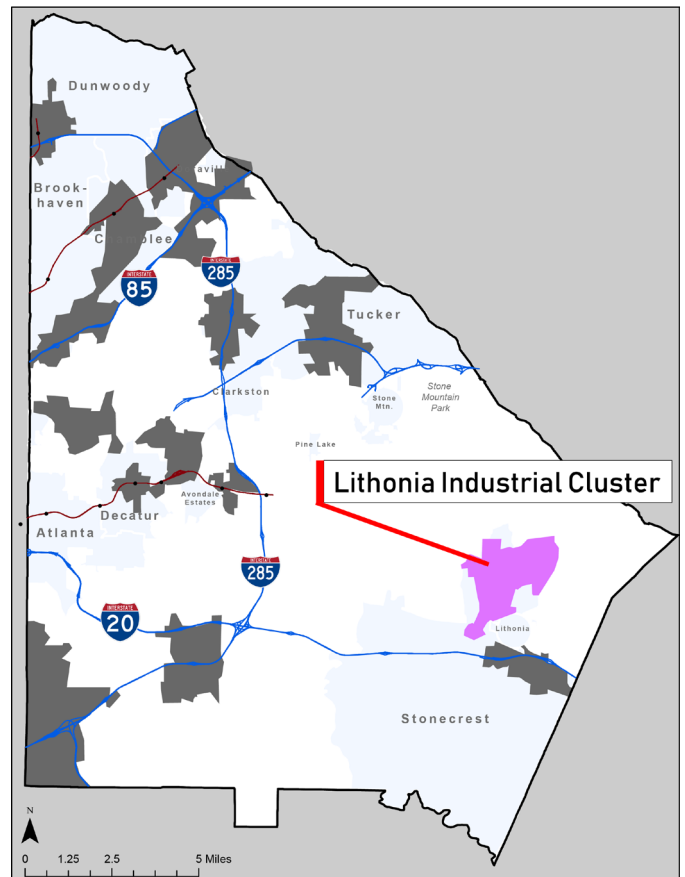
A relatively weak market for office and retail uses make for land costs that are affordable to small manufacturing and technology firms. The Lithonia industrial area is immediately adjacent to The Mall at Stonecrest development and Stonecrest Center study area. It is unlikely that this employment center will (or should) compete with Stonecrest for retail/office development.

Weaknesses

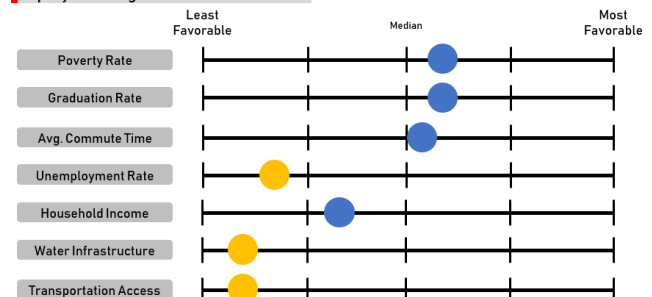
DeKalb County is home to comparable industrial development opportunities that are closer to Atlanta. Portions of the I-20 corridor near Panola Road, Panthersville, and Bouldercrest may have more competitive locations, but are smaller and at slightly higher costs.

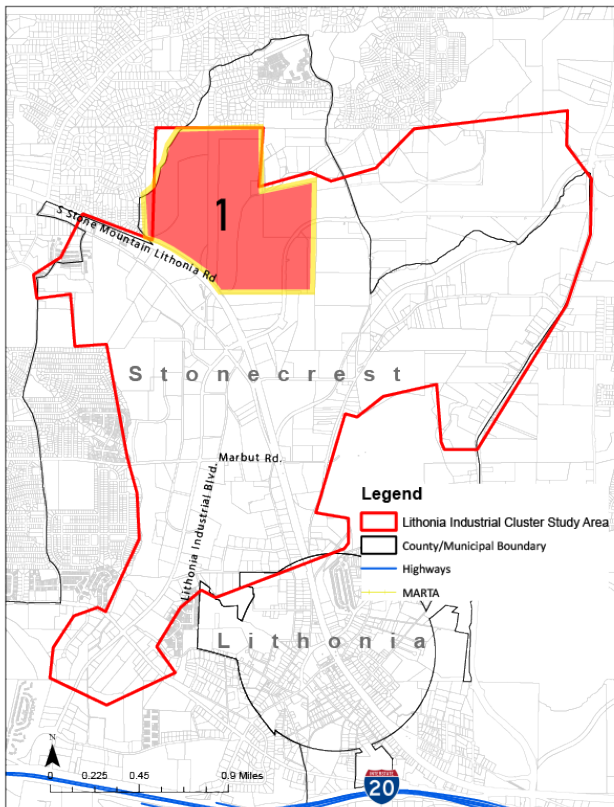
The area's long-term growth potential is limited by its lack of MARTA train access. The neighboring Stonecrest Center employment center's efforts to attract MARTA service may improve economic development opportunities in the Lithonia Cluster, but generally indirectly.

As with other South DeKalb communities, the Lithonia Cluster may be viewed by some companies as less competitive or desirable. Investments in beautification and communication of the area's livability and quality of life assets may help to improve perceptions.



Equity Ranking Criteria





Key Site

Lithonia Cluster northern parcels (1)

- Roughly 100 acres of undeveloped property along South Stone Mountain Lithonia Road
- Engage property owners on long-term investment strategies and visioning

Strategies

Engage with property owners to identify development/infill development interests and potential. Marketing efforts need to follow a comprehensive outreach effort to ensure that all properties in the employment center are maximizing their potential. This is particularly true for the 100-acre site.

Target firms to build an advanced manufacturing cluster at relatively low cost. Businesses that require new, custom-built industrial spaces will confront higher per-square-foot construction costs; the Lithonia Cluster's relatively low land costs can help offset some of these expenses.

Consider incentives to draw and retain the area's small and mid-sized businesses. Reconsider minimum thresholds for the County's existing economic development incentives. Consider new incentives to attract production-based companies to the area.

Create a locally-maintained database of available properties. Partner with Georgia Power to enhance and maintain the industrial properties database, particularly to tract parcels smaller than 25 acres.

Investigate the potential impacts of establishing a Free Trade Zone (FTZ). The reduction of tariffs and other tax impacts faced by firms that engage in international trade can attract foreign investment and help DeKalb's existing firms to export goods more easily.

Target Industries

Logistics &
Distribution

Advanced
Manufacturing

Stonecrest Center

Employment Center Profile

Strengths

Stonecrest Center's location and commercial land make it a potential regional center for Southeast DeKalb.

Central to residents of southern DeKalb as well as neighboring counties, the large quantity of commercially-zoned properties around the Stonecrest Mall give it the capacity to serve as a regional draw.

Direct access to I-20 can enable a mixed-use cluster, serving residents and workers with easy connections to Atlanta. In the long term, a potential MARTA station could elevate the demand for transit-oriented development and direct service to the city via rail.

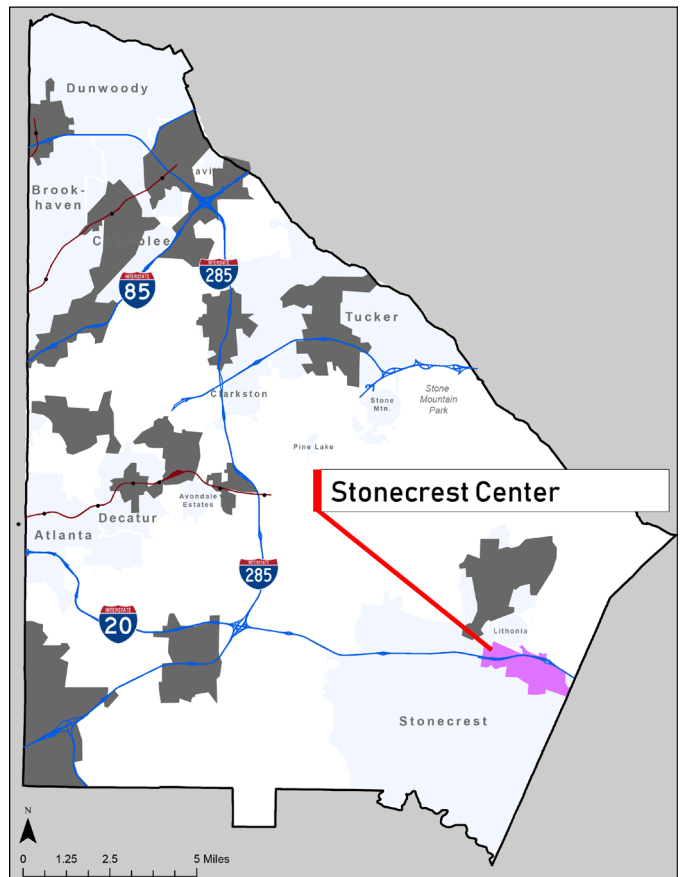
The area's large undeveloped and underdeveloped lots give Stonecrest Center greater capacity for growth than most other employment centers. Spaces on The Mall at Stonecrest property and surrounding lots can accommodate large quantities of housing, office, medical, light industrial or other uses, making the area's retailers more viable. Further south, large parcels along Hayden Quarry Road and others may be ideal hosts for advanced manufacturing facilities that bring needed jobs to the area.



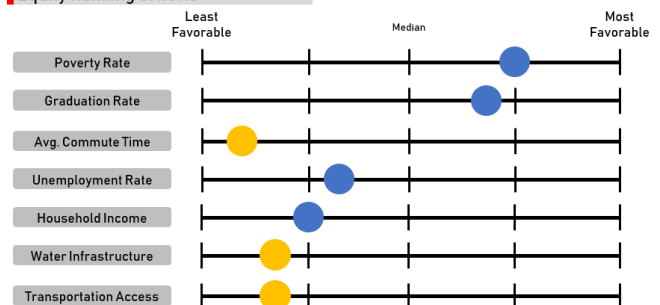
Weaknesses

The market for commercial uses at the site remains weak. Some retailers have struggled to remain open, and others have reportedly kept away due to the area's low population density and relatively low incomes. The Mall at Stonecrest, according to interviews, was built with large tax abatements that will soon expire; lacking subsidy, the mall may fail without an injection of new customers.

The lack of direct MARTA access may make it difficult for a regional center to take root. Firms have shown an increasing desire to locate near rail. While conversations about MARTA expansion along I-20 are encouraging, planning for Stonecrest Center's future uses should explore alternative options in case heavy rail does not arrive.



Equity Ranking Criteria



Strategies

Focus new development on infill opportunities and on The Mall at Stonecrest's ample out-lots. Adjustments to zoning regulations and grant programs for renovations of existing commercial properties can help the Mall transition to its next act.

Density allowances and zoning changes are likely required to justify strong investment in public transit. A multi-billion dollar investment in extending transit to Stonecrest will likely only happen if the area is already home to a sufficient density of residents, jobs, and other amenities.

Identify suitable sites for corporate/light manufacturing combination facilities. Out-parcels along Mall Parkway or undeveloped spaces along Hayden Quarry Road have capacity for large, relatively inexpensive commercial structures, close enough to provide a reborn Mall area with customers.

While steering clear of incentivizing retail, invest in building a true "Stonecrest Center" with walkable streets and relocated parking. Surface parking – most of it unused- dominates the area, making walking from one destination to another near impossible. A repositioned Stonecrest Center, in addition to adding office, medical, residential and other dense uses, can focus on development that creates walkable, human-scale internal streets. These may be oriented in a way that takes advantage of a potential MARTA facility along I-20.

Investigate the potential impacts of establishing a Free Trade Zone (FTZ). The reduction of tariffs and other tax impacts faced by firms that engage in international trade can attract foreign investment and help DeKalb's existing firms to export goods more easily.

Target Industries

Corp. Headquarters
& Business Ops

Logistics &
Distribution

Advanced
Manufacturing

DeKalb County Strategic Economic Development Plan 2024

Chapter Six: Existing Assets Assessment

Introduction

This chapter analyses two of DeKalb County's existing assets that are key in business attraction: incentives programs and small business support. Many of the most immediately actionable and potentially impactful recommendations published in the Implementation Strategy Chapter seek to address opportunities for improvement within these programs. Other critical pieces of DeKalb's existing economic development environment, like transportation networks, schools, and others, are analyzed in the Target Industry Analysis and Employment Center Analysis chapters. The SEDP's analysis – of both incentives and other existing programs - was guided in part by feedback received from the community at the Plan's first public meeting in August, and the subsequent resident survey that was administered online. A selection of the survey's results, and key takeaways drawn from each, are presented in this chapter.

Resident Survey

At the beginning of the SEDP process, Decide DeKalb staff administered a public survey of residents' and workers' thoughts on economic development in DeKalb County. Understanding the public's unique concerns and objectives was a critical step in developing this report. The recommendations presented in the Implementation Strategy were crafted with the public's valuable input in mind; action items that reflect the community's unique priorities will be those that are most actionable due to the public buy-in they should be able to garner.

The DeKalb SEDP survey received 231 responses between August and October 2018. Administered online through a dedicated SEDP website, the survey included questions about the public's economic development goals, challenges, and priorities. Results cannot be considered statistically significant, but can offer high-level insights into the thought processes of some of DeKalb's most engaged citizens.

Ninety-seven percent of the survey's respondents reported themselves as DeKalb residents. Eleven of DeKalb's 13 cities were represented, as well as unincorporated portions of the county. Nearly 20 percent of respondents lived in Stonecrest – a disproportionately high amount that likely was affected by the October Town Hall meeting held at Stonecrest City Hall. Almost three-fourths of respondents had lived in DeKalb County for at least 11 years.

Among employed respondents, roughly 50 percent worked inside the county, and 50 percent elsewhere – mostly in Fulton County. Ninety percent of respondents were over the age of 35.

Results and Key Takeaways

Table 6.1: “What does economic development mean to you?”

Respondents were given up to three votes each

		Votes
1	Attracting new businesses to the county	121
2	Helping existing businesses to stay and grow	102
3	Mixed-use environments where someone can live, work and recreate	82
4	Improving the overall business climate	81
5	New capital investments to enhance the county’s appearance	59
6	Affordable housing options	48
7	Improved personal well-being and health	37
8	Workforce training programs customized to available jobs	35
9	Improving the county’s fiscal health	33
10	Providing support for entrepreneurs to start businesses	30

Sources: SEDP 2018 Survey; RKG Associates.

Key Takeaways

- Residents insist that economic development’s role in the community is mainly defined by the **attraction and retention of businesses**, and the overall improvement of the county’s business climate. Residents’ secondary definitions of economic development were highly varied, with priorities ranging from the creation of affordable housing to enhanced beautification efforts.
- The **creation of mixed-use environments** – generally through zoning adjustments, among other tools – is viewed by many as a key part of economic development.

Table 6.2: “How would you prioritize economic development goals?”

With 1 being “lowest priority” and 10 being “highest priority”

		Average Rating
1	Strengthen the County’s fiscal health	8.10
2	Plan and manage the county’s future growth	8.07
3	Improve perceptions and realities of public safety	7.75
4	Amenities for improved quality of life	7.69

5	Business growth opportunities that take advantage of a diverse population	7.65
6	Neighborhood preservation	7.64
7	Economic equity and inclusion	7.58
8	Competitive wages	7.57
9	Keep and grow existing businesses	7.57
10	Accessible and convenient public transportation options	7.54

Sources: SEDP 2018 Survey; RKG Associates.

Key Takeaways

- Concerns about the County’s ability to **sustain and grow its fiscal health** through real estate and economic development were top of mind for many survey respondents.
- Issues around **public safety**, both perceived and real, are important to the community’s economic development efforts.
- Many residents see **quality of life issues** a key component of the county’s economic development efforts.

Table 6.3: “What are DeKalb’s top economic development assets?”

Respondents were given up to five votes each

		Votes
1	Location within Metro Atlanta	130
2	Demographic, cultural and lifestyle diversity	104
3	Medical facilities and hospitals	74
4	Its municipalities (Decatur, Stone Mountain, Dunwoody, Clarkston, etc.)	68
5	Local universities and colleges	65
5(t)	Public transportation (i.e. MARTA)	65
7	Parks, recreation facilities, and green space	50
8	Community events and festivals	45
9	Transportation accessibility (i.e. roads and interstates)	44
10	Diverse housing options and neighborhoods	42

Sources: SEDP 2018 Survey; RKG Associates.

Key Takeaways

- DeKalb’s **unique diversity** is recognized as more than just a cultural asset – it is also viewed as an **economic asset**.
- Residents recognize the incredible asset that is DeKalb’s **medical community**, which serves as one of the four recommended Target Industries in this SEDP.
- **Public transportation**, comprised mostly of MARTA services, is viewed as a key asset by many in the community.

Table 6.4: “What are DeKalb’s top economic development challenges?”

Respondents were given up to five votes each

		Votes
1	Primary and secondary education system	112
2	Traffic	103
3	Public transportation (i.e. MARTA)	85
4	Programs to keep and attract businesses	81
5	Reputation for business relations	63
6	Access to water and capacity of wastewater removal	58
7(t)	Retail and restaurant options	40
7(t)	Tax rates	40
7(t)	Transportation accessibility (i.e. roads and interstates)	40
10	Community support for businesses	39
10(t)	Diverse housing options and neighborhoods	39

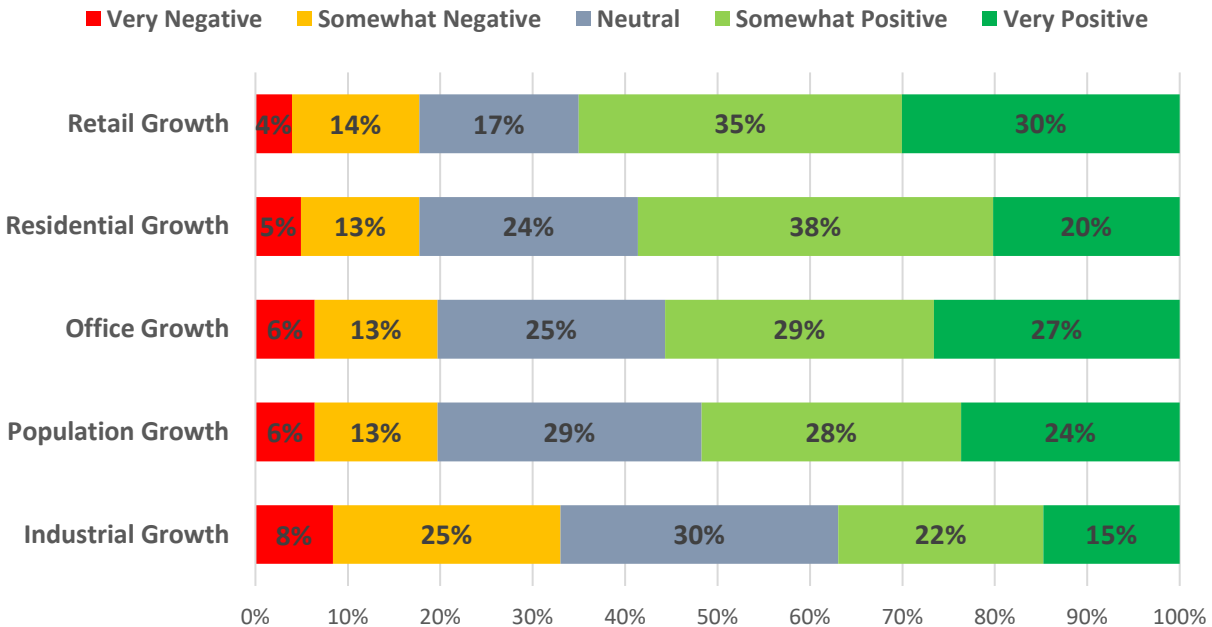
Sources: SEDP 2018 Survey; RKG Associates.

Key Takeaways

- **DeKalb public schools’ inconsistent performance** and quality is top-of-mind for most respondents. This suggests that residents recognize that attracting firms to DeKalb County involves more than incentives and development opportunities – quality of life measures are critical decision criteria as well.
- **Traffic** is identified as a challenge in almost any suburban-style community developed around the automobile. Without large-scale changes in land use, it will continue to be so.
- While also identified as an asset in the previous question, **public transportation/MARTA** was identified by many residents as a challenge to economic development. This may be due to a lack of access in many portions of the county, or inconsistent service on the lines that do exist.

- Several challenges are attributed to the **County government and administration** itself, namely a **history of poor business relations** and recent issues with a lack of water capacity.

Figure 6.1: “How do you feel about future growth/change in DeKalb County?”



Sources: SEDP 2018 Survey; RKG Associates.

Key Takeaways

- Despite the publicity often afforded to residents with the strongest negative feelings about new development, **more than two-thirds of respondents reported neutral to “very positive” sentiments** about all types of development in the county.
- Most respondents said they were either “somewhat positive” or “very positive” about growth of the county’s housing stock.
- While the average responses about all types of development were positive, the **disconnect between feelings about retail growth and population growth** should be addressed by economic development staff. Residents often voice a desire for new shopping options, restaurants, and grocery stores, while simultaneously dissuading public officials from allowing the increased population density that is often required to support additional retail.
- County officials can look to **improve perceptions of industrial development** by highlighting opportunities in advanced manufacturing and high-tech logistics, which can have few of the noise or pollution impacts often associated with industrial firms. These can also provide a needed boost to municipal tax receipts.

Figure 6.2: “How do you feel about future growth/change in DeKalb County?”

With 1 being “very poor” and 5 being “excellent”
Average score reported



Key Takeaways

- Respondents saw a strong and supportive market for **goods and services** across DeKalb, but gave poor marks for the County’s regulatory environment.
- The average response related to the **availability of jobs and the diversity of jobs** in DeKalb County was lower than “fair,” with many reporting the jobs outlook as “poor” or “very poor.” This is consistent with findings elsewhere in this SEDP regarding a mismatch between DeKalb’s generally well-educated residents and the jobs on offer within the county.

Incentives Review

DeKalb County and Decide DeKalb administer a few powerful incentives that can help make catalytic development projects a reality. These are typically used to provide “gap funding” that can help tip a real estate proposal from financial infeasibility to viability. Incentives allow County officials to unlock new investment that conforms with the community’s wishes, either in the form of desired uses, targeted job creation, or physical improvements like infrastructure, parks, and others.

While developers have access to dozens of grants, incentives, and programs at the federal, state, and regional level, many programs are either offered by the County and administered directly by the County or by Decide DeKalb on the County’s behalf. Among the most powerful of these are the ability to abate property taxes and to fund necessary infrastructure investments via a Tax Allocation District, or TAD. Recent outside studies of DeKalb County’s incentives and its TADs have provided deep analysis on the programs’ strengths and weaknesses; the DeKalb County Incentives Review Study, led by Three Points Planning, and the DeKalb County Tax Allocation District Assessment and Recommendations Study, led by HR&A Advisors, were both issued in draft form in December 2018.

According to DeKalb economic development professionals, many of the County's incentive programs have had limited success to date. According to former Deputy Chief Operating Officer for Development Luz Borrero, "developers and businesses have not taken advantage of the County incentives because they are too cumbersome, or the investment/job creation thresholds are too high."¹ The HR&A study of DeKalb's Tax Allocation Districts found a similar lack of engagement, stating that "economic and administrative challenges have prevented the TADs from playing a major role in advancing redevelopment to-date (sic)."²

The following section provides a brief menu of the incentives and programs available to developers and firms considering investment in DeKalb County, as analyzed in the two aforementioned reports. Recommendations on how to optimize the county-administered programs for the SEDP's goals are included in the Action Plan section of this report.

Incentives available to prospective developers, investors, and firms are summarized in four categories: Tax Allocation Districts (administered by DDDA), County incentives (administered by the County), Incentives administered by DDDA (including those for which DDDA serves as a conduit), and outside regional, state and federal incentives.

1. Tax Allocation Districts

DeKalb County participates in four major Tax Allocation Districts (TADs) created to generate funds for economic development investments.³ Several smaller, municipal-led TADs are also available for use by developers. The four major TADs in which the County participates are Kensington, Avondale, Briarcliff, and Doraville. All four are county-administered; Doraville is the only one with city participation.

According to the HR&A Report:

- *All "jurisdictions (counties, cities, redevelopment authorities) may establish a TAD to catalyze investment in a designated underdeveloped or blighted area by using public dollars to fund certain redevelopment activities."*
- *"Redevelopment costs are supported through the pledge of future or the expenditure of actual incremental increases in property taxes generated by the new development. Taxing entities, including DeKalb County, incorporated municipalities, and the DeKalb County School District must elect to participate in each TAD."*
- *"DeKalb County designated DDDA to administer the TAD program on its behalf. DDDA oversees funding decisions and conducts ongoing financial management of the program in partnership with the County, while the County retains overall decision-making authority."*

DeKalb's TADs have thus far had very limited impacts on development activity, according to the HR&A report. The first having been established in 2004, DeKalb's TADs have had few successes for many reasons, including the 2008 financial crisis and subsequent real estate downturn. The Assembly Yards project, within the Doraville TAD, is the first large project to take part in the program, with detailed terms for future infrastructure investments yet to be finalized.

¹ DeKalb County Incentives Review Study, Three Points Planning, Lynn M. Patterson, Ph D, Nancey Green Leigh, FAICP, Ph D.

² HR&A Advisors: "DeKalb County Tax Allocation District Assessment and Recommendations Study", December 2018

³ Ibid

The HR&A report suggested several principles that should guide DeKalb's TADs in the future in order to improve their effectiveness. These included:

- TAD boundaries must be drawn strategically to include areas with both economic challenges and relative strengths. Those parcels that are most likely to see anticipated growth are critical to catalyzing more difficult development sites.
- Governance and oversight strategies for TADs should be designed to be flexible so as to better cope with changing market conditions.
- Effective TAD administration requires a strong "champion" to monitor, promote, and coordinate the program. Decide DeKalb can play this role with more robust advocacy and regimented monitoring of program success.
- Increased partnerships with cities, the school board, and regional economic development entities can have outsized effects on TADs' success. Bringing cities and school boards into the fold can greatly increase a TAD's bonding capacity – potentially up to three times.

2. County-Administered Incentives

Some incentives are administered and approved by the DeKalb County Department of Economic Development.⁴ Decide DeKalb can function as an intermediary, assisting prospective and expanding businesses through the application process and helping submit them to the County for approval. These are typically locally-owned incentives related to fees and physical infrastructure charges.

- **Building and Land Development Permit Fee Reduction**
Provides development permit discounts ranging from 50 to 100 percent dependent upon investment level
- **Business Occupation Tax Reduction**
Caps occupation tax as low as \$1,000 per year for 1 to 5 years, dependent upon level of investment
- **Water and Sewer Charge Reduction**
County matches investments in water and sewer capacity on a one-to-one dollar basis, up to \$750,000 dependent upon investment level, job creation, and revenues. LEED certification can increase the benefit
- **Sewer Rates Reduction**
50 percent discount on County sewage rates for five years, dependent upon investment level
- **Capacity Reimbursement**
County will reimburse developer for additional investment in water/sewer capacity that benefits other potential users (i.e., beyond the capacity needs of the development property)
- **Expedited Review**

⁴ DeKalb County Incentives Review Study, Three Points Planning, Lynn M. Patterson, Ph D, Nancey Green Leigh, FAICP, Ph D.

Projects with a taxable value of at least \$10 million are eligible for Land Development and Building Permit review within ten business days of submission, and service via a single point of contact at the County

Any project that receives County incentives is required to collaborate with the DeKalb County Workforce Development Agency (WDA). Work with the WDA may include advertising open positions to local residents, and participation in “customized job fairs, occupational skills training, work-based training, skills assessments, layoff aversion skills, and collaborations with adult educational institutions.”⁵

Each of these incentives requires a minimum new capital investment of \$10 million, and 20 new jobs to be eligible. Furthermore, the incentives policy indicates only certain industry NAICS codes are eligible (or at least 50 percent of the investment must be in one of the qualified NAICS codes). Many businesses qualify for one of these criteria, but having to qualify for all three severely limits the potential number of prospects.

3. DDDA and Conduit Incentives

Decide DeKalb serves as the administrator of several more complex incentives programs, including Tax Allocation Districts, bond financing, and property tax abatements. Some programs are offered directly by the DDDA, while the organization is simply a conduit to other outside programs. Some of the language in the incentives menu below is drawn directly from the DeKalb County Incentives Review Study.

- **Property Tax Incentives**

DDDA can structure deals that offer a reduction in real and personal property taxes at the county level. These should be awarded in accordance with a “but-for” test which determines a given project’s true need for tax abatements in order to become viable

- **Bond Incentives**

DDDA can write bond deals that provides taxable or tax-exempt financing using private placements or rated bonds

- **Enterprise Zone Tax Credits**

Projects located in designated Enterprise Zones are eligible for local property tax exemptions and local abatement or reduction in occupation taxes, regulatory fees, building inspection fees, and other fees that would otherwise be imposed on qualifying businesses

Must create at least five jobs within eligible census blocks to receive property tax abatements for ten years – several zones in DeKalb, including in Chamblee, near Medline/Scottdale, Stone Mountain, and others

- **Machinery Sales and Tax Exemptions**

Tax exemptions available for activities related to manufacturing production machinery, machinery or components bought to upgrade or replace existing machinery.

⁵ DeKalb County Incentives Review Study, Three Points Planning, Lynn M. Patterson, Ph D, Nancey Green Leigh, FAICP, Ph D.

- **Tax Allocation Districts** (see previous section)

- **Two Year Expansion Tax Credit**

Property tax exemption for project for two years on qualifying expansion project

- **Workforce Development Assistance**

DeKalb County Workforce Development Agency (WDA) provides hiring and training assistance

4. Outside State & Regional Incentives

A wide array of other incentives are provided by entities including the State of Georgia and the Federal government.

- Job Tax Credit
- Child Care Tax Credit
- Retraining Tax Credit
- Research and Development Tax Credit
- Investment Tax Credit
- Small Business Tax Credit
- Corporate Headquarters Tax Credit
- Sales and Use Tax Exemption
- New Markets Tax Credit
- Federal Opportunity Zones

As of April 2018, DeKalb was home to eight Federal Opportunity Zones. Visit Decide DeKalb's website for more details:

www.decidedekalb.com/core/fileparse.php/27/urlt/Designated-Federal-Qualified-Opportunity-Zones.pdf

- (Federal) Enterprise Zones

Incentives Criteria

While DeKalb County's criteria for evaluating a given project's need or eligibility for various incentives programs are officially documented, interviews with staff suggested that the decision process is often much more fluid. The 2018 Incentives Study stated that "decision-making criteria for fee waivers are based upon industry, amount of investment, and jobs created," and that "at least 50 percent of (a) project's investment must relate to one or more of the identified target industries" in the previous SEDP.⁶ In practice, interviews suggested that DeKalb County has a long history of abating taxes for other uses, including residential and retail projects, including The Mall at Stonecrest.

For bond projects, applicants are subject to a market analysis and require a minimum investment of \$1.5 million, but the provision of a wide range of community benefits can also be taken into account:

- Low-income housing (minimum of 10 percent at 80 percent AMI is "expected" according to the report)
- Senior care

⁶ Ibid

- Public infrastructure/parks/traffic improvements, etc.
- Commitment to local hiring programs
- Commitment to sustainable design
- Historic structure preservation
- Environmental remediation

Creating formulaic criteria can have a profound impact on the understandability and ease-of-use of DeKalb’s incentives programs, and limit the often subjective and inconsistent processes that determine a project’s eligibility. As noted in the Implementation Strategy section, the lowering of investment thresholds can ensure that small developers and businesses can also gain access to these vital programs, even if they are not adding hundreds of jobs or major commercial facilities. The 2018 Incentives Review provides several recommendations that are likely worth pursuing, including prioritizing the creation of jobs with above-average wages and local hiring requirements, the establishment of performance standards and claw-back provisions, and robust ongoing monitoring of incentives’ performance.

Small Business Development

Small businesses play a critical role in any diverse local economy, and DeKalb is no exception. Over 35,000 DeKalb County jobs, 15 percent of the total, are in firms with less than 20 employees (2016). The employment growth rate in small businesses was faster than the overall county job growth rate from 2010 to 2016: 9.1 percent. Small businesses play a role in almost every sector of DeKalb’s economy, including SEDP target industries like healthcare, professional services, and warehousing/distribution.

The smallest of small businesses in DeKalb County – self-employed individuals – accounted for as many as 24,000 jobs in 2016. On average, self-employed workers earn lower wages than other employees – just \$26,775 in 2016 - but may enjoy benefits like part-time work, flexible schedules, and additional autonomy.⁷ The number of self-employed jobs grew roughly in line with the overall DeKalb job growth rate from 2010 to 2016, near eight percent. More self-employed DeKalb workers are in construction than any other field.

Interviews with small business owners and municipal staff revealed numerous challenges related to owning and operating a business in DeKalb, pointing to the need for program/policy reform to promote the county’s small business environment. The County’s improving but still arduous approval processes are top of mind for many business owners. “Permitting scares off a lot of people, regardless of the size of your business – but especially if you’re new,” said one small business owner in DeKalb. “You have to go to lots of places for permits and there’s no one to guide you.” While these challenges can make DeKalb County less attractive to any business, permitting processes that cause confusion and delays have an outsized negative effect on small businesses. With less access to capital, fewer staff, and less geographic diversity than larger, multi-state or multi-national firms, delays related to permitting can be the difference between opening a business or walking away.

⁷ EMSI Industry Tables, 2016.

Inconsistency in County services – from trash collection to road infrastructure improvements – may hit small businesses especially hard as well. One small restaurant owner in unincorporated DeKalb County said that he was struggling to keep up with sanitation standards because county trash collection was “so unreliable.” He said that he had to hire private trash collection services to meet the standards, putting a \$1,200 monthly dent in his bottom line – enough to eliminate profitability for some small businesses.

While some small business challenges will clearly need to be addressed at the County governmental level, organizations like the DeKalb Chamber, local CIDs, and others offer a range of programs that work to attract fledgling ventures and help them succeed once they arrive. Most of these are, according to interviews and other research, ad-hoc support opportunities. Very little exists in the way of unified, well-organized and marketed, structured support regarding how to set up, plan, and accelerate a small business in DeKalb County. Online materials related to small business development are scant on details, and listed phone numbers and online links often led to dead ends during this SEDP report process. Some CIDs reportedly help small businesses to navigate permitting processes and to post open jobs, but program details vary greatly from community to community and with relatively little structure.

Table 6.5: Self-Employed Workers by Sector

DeKalb County, five largest sectors only

	2016 Jobs
Total Self-Employed	31,661
Construction	7,936
Other Services	4,356
Prof., Scientific and Tech Services	3,524
Administrative and Support	3,441
Transportation and Warehousing	2,134

Sources: EMSI Industry Tables; RKG Associates.

DeKalb County Strategic Economic Development Plan 2024

Chapter Seven: International Business Analysis

This portion of the SEDP was completed and written by FOCOM Business Development Services, an Atlanta-based market development consulting and management firm.

Introduction

“With more than 95 percent of the world’s population and 80 percent of the world’s purchasing power outside the United States, future economic growth and jobs for Georgia and America increasingly depend on expanding US trade and investment opportunities in the global marketplace.”¹ - Business Roundtable 2014

This insight from the 2014 Business Roundtable Report defines the theme of this International Business Development section of the DeKalb County SEDP Update.

While the State of Georgia saw a 4.3 percent increase and the Atlanta region had a 6.2 percent increase in export revenue growth in 2017, DeKalb County experienced a third consecutive year of decline with a - 0.6 percent drop.

The purpose of this section of the SEDP update is to provide insight into this comparative performance and to offer a clear and coherent strategic approach to international business development and the improved global performance of DeKalb’s business base. Specifically, this chapter defines an approach to increasing foreign trade and foreign investments in DeKalb County by leveraging existing global business relationships with the diverse immigrant population that exists in the county, metro region, and state. The focus of the strategy is to expand trade with and through current trading partners, increase foreign investments through the existing base of foreign owned enterprises and develop a pool of international entrepreneurs within DeKalb County’s richly diverse immigrant communities, including refugees. This section proposes an engagement strategy that expands the county’s international business presence via a market management framework of a) base protection, b) growth management and c) market development. The proposed strategy will involve a range of collaborative initiatives with public and private sector stakeholders.

Methodology

In completing this International Business Analysis, the following methodology was used [1] identification of knowledgeable sources among DeKalb County’s international business stakeholders and influencers, [2] collection of empirical data and other information from the stakeholders and other electronically accessible sources, [3] analysis of information and data, and development of conclusions and [4] formulation of recommendations based upon relevancy and implementation feasibility.

In order to first establish a baseline upon which to assess and project the needs of DeKalb County’s international business base, several preliminary activities commenced, beginning with a review of the 2014 DeKalb County Strategic Economic Development Strategic Plan (SEDP). The review enabled the

¹ https://tradepartnership.com/wp-content/uploads/2016/02/BRT_TRADE_2015_Georgia.pdf

assessment of the existing plan's approach, focus, and priorities, and identified key performance areas useful to evaluate in preparing the SEDP Update. Interviews were conducted, and qualitative and quantitative data and information were collected in order to capture a comprehensive "as is" profile of DeKalb County's international business base and development activities.

The central questions that drove the assessment are as follows:

- a) What is the county currently doing in terms of international business efforts and trade, and to what extent?
- b) How well does DeKalb perform in international business compared to the Atlanta region and the State of Georgia?
- c) What are DeKalb's global strengths and opportunities that can be leveraged?
- d) What are the challenges it must overcome? How can DeKalb County increase international trade and investment flows?

The documents reviewed included the following:

- 2014 DeKalb County Strategic Economic Development Strategic Plan
- DeKalb County, Georgia Film, Music & Digital Entertainment Five-Year Strategic Plan for Economic Development 2017—2022
- Various publications about DeKalb County international and immigrant dynamics
- Various publications on international business development activities at local, state and global levels

The interviews conducted included the following:

- Cypriot Honorary Consulate
- Decide DeKalb Development Authority
- DeKalb County Chamber of Commerce
- DeKalb Entertainment Commission
- Emory University's Goizueta Business School
- Georgia Small Business Development Center
- Hong Kong Association of Atlanta
- Metro Atlanta Chamber
- New American Pathways

The researched, compiled and analyzed data are from the following sources:

- International Monetary Fund (IMF)
- The World Bank
- US Bureau of Economic Analysis
- US Bureau of Labor Statistics
- US Census Bureau
- US Department of Commerce – International Trade Administration
- Georgia Department of Economic Development
- Georgia Port Authority
- City of Doraville, Georgia - Buford Highway Business List

- City of Clarkston Profile (Source: Atlanta Journal Constitution)

A review of local and national scholastic and trade articles helped to identify approaches and gain insights into trends and program initiatives to help address the needs of DeKalb County's international business development. International economic development approaches employed in similar cities in other parts of the United States, the United Kingdom, and Australia were reviewed to identify best practices. Finally, interviews with stakeholders were used to assess the feasibility of several of these approaches within the context of the Decide DeKalb organization, processes, and existing infrastructure.

Key Findings

The 2014 Strategic Economic Development Plan (SEDP) identified several economic development opportunities in the recommended target industries, with broad and general references to international elements. International business development themes were involved in the 2014 SEDP in several contexts:

- Stated the attraction of international firms and entrepreneurs as a goal
- Cited Buford Highway as an important international commercial corridor
- Identified an international program strategy and funding sources in which DeKalb could participate
- Recommended participation in international economic development and marketing organizations

The 2014 SEDP target industries for DeKalb County were as follows (NAICS Industry Group):

- Construction and Support Trades (22)
- Advanced Manufacturing (31-32)
- Logistics (48-48)
- Entertainment (512, 711)
- Professional and Business Services (53)
- Tourism - *including amusement* (561, 712, 713, 721, 722)
- Life Sciences (61)

The updated DeKalb County SEDP provides an opportunity for a sharper focus on international business *as a market to be developed*, with unique requirements for growth, rather than as a general component of other market activities, as recommended in the 2014 SEDP. A primary focus for DeKalb County's international business development should be to increase exports leaving and foreign investments coming into the county, while in some cases competing against and, in others, collaborating with other metro Atlanta jurisdictions in the complex global marketplace.

Success in international business and economic development will depend upon how well DeKalb County's businesses navigate the global landscape and the support they get in doing so. Business activities in the global marketplace are shaped by the following three major factors and sub-factors, which are unique for each country and illustrated in Figure 7.1:

- **Target Country Economy**
 - Currency value
 - Markets
- **Target Country Business Customs**
 - Partners
 - Security
- **Target Country Governance**
 - Politics
 - Tariffs

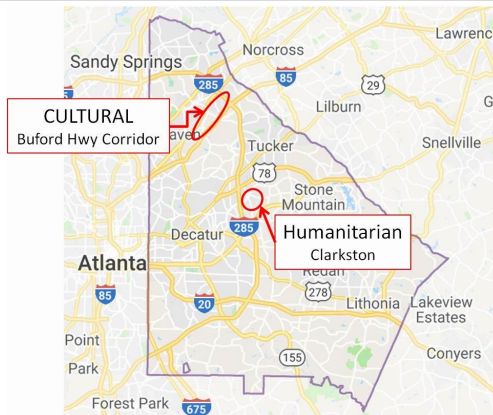
Figure 7.1: International Business Market Factors



In order to navigate the complexities of the global market, many companies need the support of government to help prepare and enter targeted countries. This requires a comprehensive view of the international business and economic environment. The greatest awareness of international business activities in DeKalb County tends to center on the Buford Highway corridor as a business and cultural center, and the Clarkston area as a humanitarian center for refugees, as highlighted in Figure 7.2. The Buford Highway commercial corridor is an important cultural center for DeKalb County, and Clarkston, with residents from 50 different countries, is one the most diverse communities in metropolitan Atlanta, if not the entire nation.²

The Buford Highway commercial corridor has more than 1,000 foreign-owned and immigrant-owned businesses representing a variety of national origins and cultures.³ More than 400 of these businesses are located in Doraville, and generate nearly \$350 million in annual revenue. Employing approximately 2,200 individuals, these businesses account for nearly 27 percent of the Doraville workforce.

Figure 7.2: DeKalb's International Hubs



The City of Clarkston has a small population of approximately 12,848 citizens, of which almost 47 percent are foreign-born. The foreign-born citizens represent more than 40 countries. Most are from one of 15 nationalities that have significant local populations. Clarkston has become known as a destination for many refugees; it has been home to more than 40,000 refugees over the past 25 years and is the self-proclaimed “Ellis Island of the South.” This role has led Clarkston to attract and collaborate with several immigrant and refugee services and non-profit organizations, including:

- CDF: A Collective Action Initiative

² <https://www.wabe.org/clarkston-ga-small-stature-big-diversity/>

³ Buford Highway Project: <http://bufordhighway.com/description/>

- Global Frontier Missions
- New American Pathways
- Refugee Family Literacy

Small businesses and sole proprietors play an outsized role in Clarkston’s economy, which is reported to have 781 businesses. Just 112 of these have paid employees, a combined workforce of 476 jobs beyond business owners.

Both the Buford Highway and Clarkston areas are significant to DeKalb County’s international profile and are vital to the county’s economy. DeKalb County’s international make-up and presence, however, are much broader.

Many of DeKalb County’s businesses are engaged today in international trade and investment, but the opportunities to get more businesses involved on an international level are numerous. Based on interviews, including with the University of Georgia’s Small Business Development Center, many DeKalb County businesses have exportable products and services that are not currently being exported. The highest-potential products are mostly industrial goods, for use in manufacturing facilities. Many of these businesses are small (fewer than 100 employees), but have opportunities for growth. They were described as “solid domestically, with great products.” Their primary challenges are described as “the lack of knowledgeable resources and time to develop international business development strategies, and the lack of affiliation with enabling resources to help pursue global opportunities.”

Empirical Data

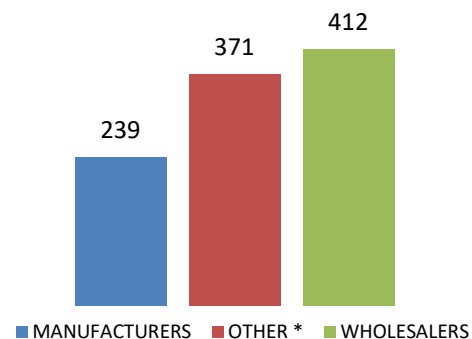
Currently, DeKalb County’s international business base includes 1,022 firms that export products and services to approximately 64 different countries on six continents, and more than 270 foreign-owned enterprise (FOE) sites owned by companies from 31 countries. Export companies generate approximately six percent of DeKalb’s annual business revenues, and provide more than 84,000 jobs. FOEs generate almost \$200 million in annual revenues and employ more than 8,000 people in the county. The top three countries to which DeKalb County exports products are France, Saint Lucia, and Belgium. The top countries with foreign-owned companies located in DeKalb County are Germany, the United Kingdom and the Netherlands.

Exporters

The DeKalb County exporter business base is composed of a variety of business types and sizes that ship a diverse mix of products and services around the world. As illustrated in Chart 7.1, manufacturers make up the smallest group with 23.4 percent of DeKalb exporters while wholesalers make up the largest group with 40.3 percent of exporters, followed by a mix of industries

Chart 7.1: Exporting Companies by Type

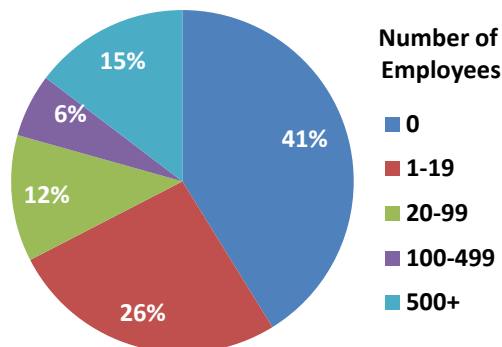
DeKalb County, 2017



grouped to comprise 36.3 percent. It is important to note that manufacturing was a 2014 SEDP target industry while the wholesale industry was not.

Approximately 21 percent of DeKalb's exporters have 100 or more employees and account for more than 85 percent of jobs in firms that export goods and services, as illustrated in Chart 7.2. While 79 percent of DeKalb's exporters employ less than 100 people, filling approximately 10,000 jobs, they comprise 84 percent of "Other" company types and 83 percent of "Wholesalers." Firms with zero employees are sole proprietors, meaning the only worker is the owner.

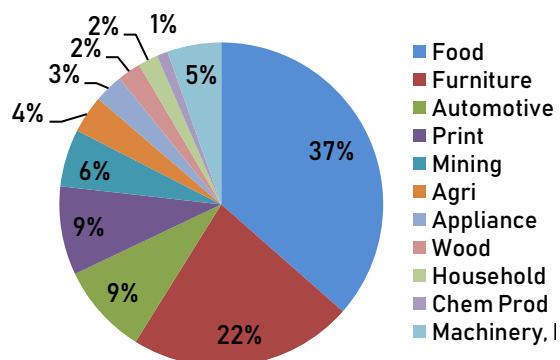
Chart 7.2: Exporting Firms by Number of Employees



Source: International Trade Administration
(www.trade.gov)

DeKalb County's international business base exports approximately 11 different product categories, which include 87 product types. While diverse, this is a relatively small range compared to 359 different product types for metro Atlanta and 847 for Georgia. Food (37 percent) and furniture (22 percent) are the largest volume of the top five product shipments (in twenty-foot equivalent units - TEUs), and are listed as follows and are illustrated in Chart 7.3:

Chart 7.3: DeKalb Exports by Type by Volume Share



Source: State of Georgia Economic Impact
(<http://more-impact.gaports.com/>)

- 1) Food: 1,321 TEUs (37 percent)
- 2) Furniture: 811 TEUs (22 percent)
- 3) Automotive: 328 TEUs (9 percent)
- 4) Printed Material and Equipment: 320 TEUs (9 percent)
- 5) Mining: 208 TEUs (6 percent)

Foreign-Owned Enterprises

The approximately 272 foreign-owned enterprises in DeKalb County conservatively represent investments from 31 countries (six continents). These companies participate in nine major industries and are comprised of five primary types of business locations.

Table 7.1: Export Destinations by Value

Export Country	Export Value	Number of Companies
France	\$30,539,066	2
Saint Lucia	\$29,189,782	2
Belgium	\$24,046,185	4
Hong Kong	\$21,084,350	6
Nigeria	\$19,217,096	5

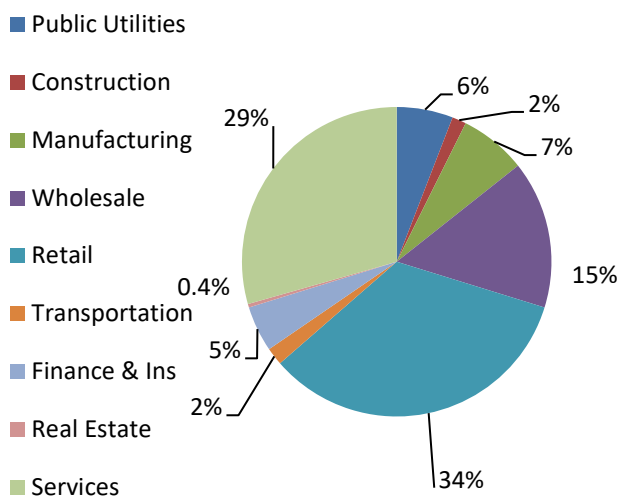
Table 7.2: Export Destinations by No. of Companies

Export Country	Number of Companies	Export Value
China	11	\$7,200,154
Bahamas	11	\$418,524
US Virgin Islands	10	\$245,094
Hong Kong	6	\$21,084,350
Nigeria	5	\$19,217,096

Source PIERS – DeKalb County Data Downloads

DeKalb County exports goods and services in nine primary sectors, as illustrated in Chart 7.4:

Chart 7.4: Export Value by Industry Sector



Sources: 2017-18 PIERS Report and Georgia Department of Economic Development Site Selections

Table 7.3: DeKalb FOE Sites by Country

FOE Parent Company Country	Number of FOE Sites
Germany	28
United Kingdom	25
Japan	19
Canada	16
France	14

As illustrated in Table 7.3, the top five countries with the most sites in DeKalb are Germany, the United Kingdom, Japan, Canada, and France, who account for 57 percent of FOEs' sites. Chart 7.4 illustrates that the dominant FOE industry sectors, based on the number of locations, are Retail (34 percent), Services (29 percent), and Wholesale (15 percent), which combine to make 78 percent of FOEs in DeKalb County.

Chart 7.5: Foreign-Owned HQs by Industry

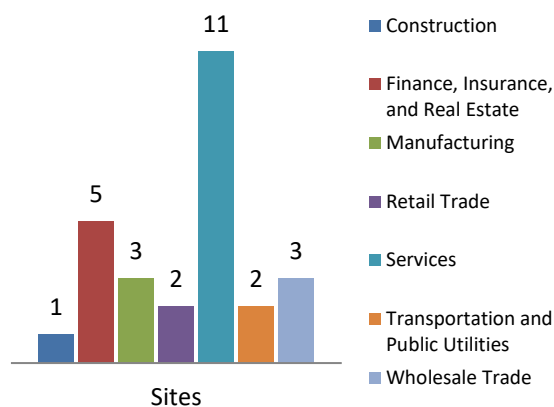
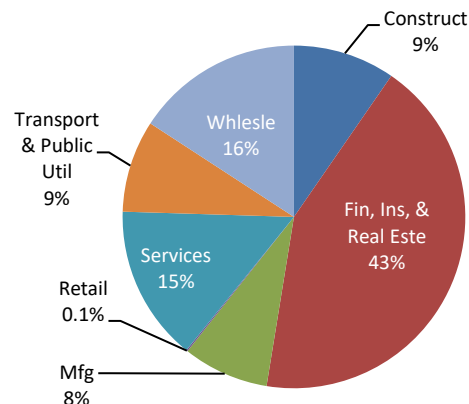


Chart 7.6: Foreign-Owned HQ Jobs by Industry



Sources: 2017-18 PIERS Report, Georgia Department of Economic Development Site Selections

The FOEs' locations are classified into five primary categories of location types, as illustrated in Chart 7.5. The category types are a) National and Regional Headquarters, b) Industrial Branch, c) Office Branch, d) Retail Branch, and e) Miscellaneous Single Branch (Unclassified). The largest FOE location type group is retail, with approximately 128 locations (47 percent). The category with the fewest number of locations is Miscellaneous Branch locations with 14 sites (5 percent). Chart 7.6 below illustrates the percentage of FOE jobs by location type. Though the dominant location type is retail, it employs only 12 percent of the FOE workforce. Office type locations employ approximately 12 percent of this work force, while Industrial Branches account for nearly 23 percent of the jobs. The headquarters locations make up only 9.9 percent of the FOE sites, but provide nearly 5,200 (50 percent) of the FOE jobs.

In addition to their significance as an employment base to be protected, headquarters locations also represent points of strategic engagement, as they make expansion and growth decisions for these companies. DeKalb's FOE headquarters locations represent a range of industries. As presented in Chart 7.6 and Chart 7.7 below, the service industry dominates by number of locations with 11 headquarters

locations (41 percent), while the finance, insurance, and real estate combined sectors have the highest number of employees at approximately 2,232 (43 percent).

In addition to the number of DeKalb County locations and jobs, the FOEs headquarters' presence represents strategic positioning opportunities with the companies' 13 countries of origin, as listed in Table 7.4. The four countries with the greatest number of FOEs headquarters locations in DeKalb County, with four each, are Canada, the United Kingdom, Germany, and Ireland. Combined, these 16 companies employ 78 percent of the FOE headquarters workforce in DeKalb County.

Table 7.4: Foreign-Owned HQ Jobs by Country

HQ Company Country	No. of HQ Sites
Canada	4
Chile	1
China	1
Germany	4
India	1
Ireland	4
Italy	1
Japan	1
Scotland	1
Sweden	1
Switzerland	2
The Netherlands	2
United Kingdom	4

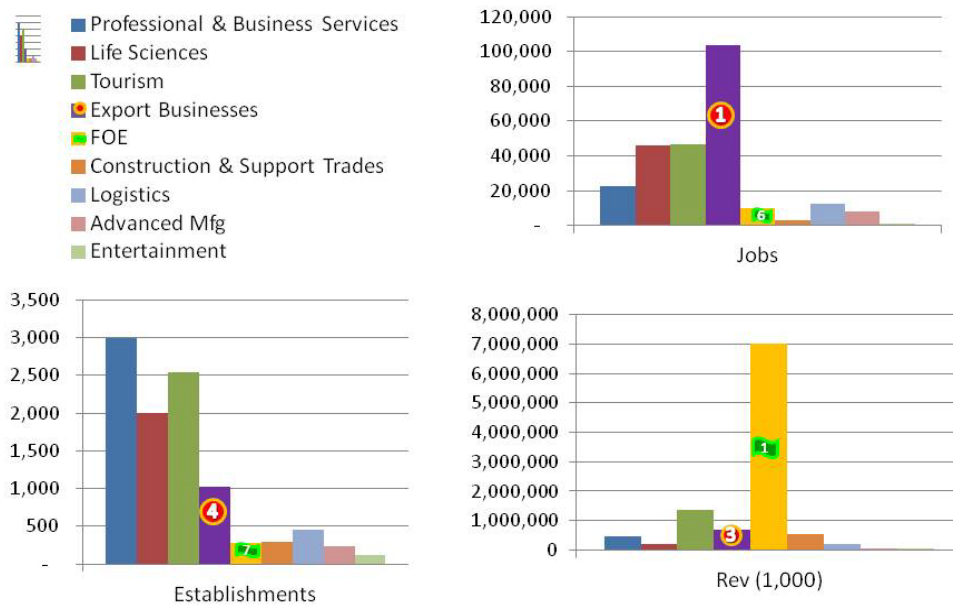
Source: 2017-18 PIERS Report

International Business and Target Industries

When considered in comparison to the target industries of the 2014 Strategic Economic Development Plan, the export companies and foreign-owned enterprises play comparably significant roles in the DeKalb business economic base. As illustrated by Chart 7.7, the DeKalb County international business base of exporters and FOEs has more than 113,300 jobs, which is more than Life Sciences (46,200), Tourism (46,700), and Advance Manufacturing (7,800), and Entertainment (1,200) combined. The combined exports and FOE annual revenues far exceed all other target industries with \$700 million and \$7 billion annually respectively. DeKalb exporters rank fourth in number of establishments, with 1,022 locations, and FOEs rank seventh with 272 locations when considered with the 2014 target industries. While many of DeKalb's exporting firms and foreign-owned enterprises participate in targeted industries like healthcare and corporate operations, the massive size and scope of these internationally-minded firms emphasize the potential economic impact of their growth.

Chart 7.7: DeKalb International Business Base versus 2014 SEDP Target Industries

Exporters and FOEs Compared to 2014 Target Industries

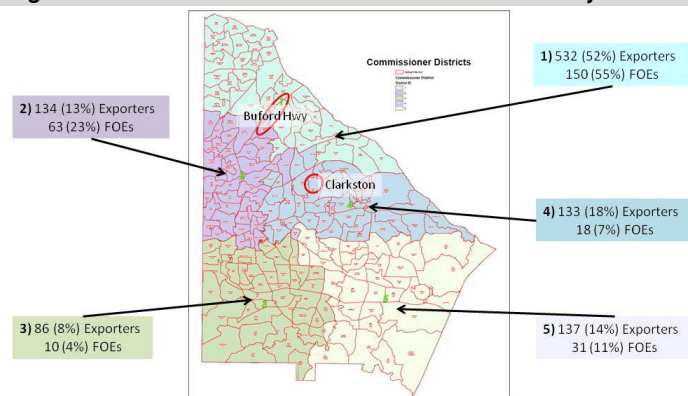


Source: 2017-18 PIERS Report, Georgia Department of Economic Development Site Selections, and International Trade Administration (www.trade.gov)

Combined International Business, Cultural, and Immigrant Geographic Locations

The combination of export countries and countries of origin for foreign-owned enterprises gives DeKalb County a significant international business base upon which to build sustainable international economic development plans. Exporters and foreign-owned enterprises extend far beyond the Buford Highway corridor and the City of Clarkston, and are located throughout DeKalb County within each DeKalb County Commissioner District. As illustrated in Figure 7.3, more than half of all exporters and FOEs are located in District 1, with 532 and 150 locations respectively. The two largest clusters of

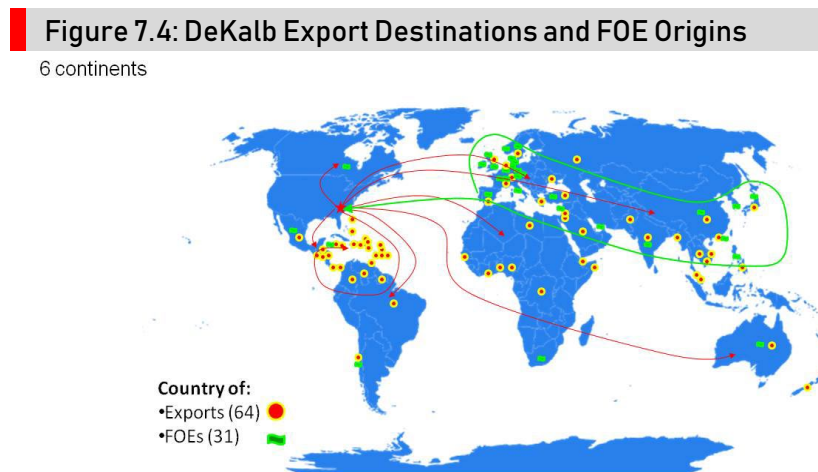
Figure 7.3: DeKalb International Businesses by District



Source: 2017-2018 PIERS Report

these businesses are located in the northernmost part of the county: 1) Atlanta-Chamblee-Doraville-Dunwoody (zip codes: 30319, 30338, 30340, 30341) with 25.7 percent of the FOEs and 25.7 percent of the exporters, and 2) an area that straddles District 1 and District 4 - the Stone Mountain-Tucker (zip codes: 30083, 30084, 30087) area with 15.8 percent of the DeKalb County FOEs and 26.2 percent of its exporters. These clusters are potential target areas for a strategic approach to long-term growth and expansion of DeKalb County's international business and economic development base. These clusters and Commissioner districts, the Buford Highway corridor and the City of Clarkston make up DeKalb County's access points to the global marketplace and international business and economic development opportunities.

These trade and investment opportunities today reach a net total of 78 countries on six continents, giving DeKalb County an international business presence all over the globe. As illustrated in Figure 7.4, expanded trade opportunities center mainly in Africa, Asia, the Caribbean Islands and South America, while most foreign investments in DeKalb come from Canada and Europe. Annually, DeKalb export revenue averages approximately \$700 million, and the FOEs generate between \$6.5 billion and \$7.9 billion.



Georgia, Metro Atlanta, and DeKalb International Business Performance Comparison

In 2017, exports for the State of Georgia were \$37.5 billion, an increase of 4.5 percent over 2016, while Metro Atlanta accounted for \$21.7 billion, an increase of 6.2 percent. DeKalb County had \$657 million in 2017 exports, a decrease of 0.6 percent from 2016. The 2017 export performance was preceded with a mix of growth and declines between 2015 to 2016 for Georgia and Metro Atlanta, but two consecutive years of decline for DeKalb County. Chart 7.8 illustrates these trends.

While DeKalb County has a significant international business base, it has underperformed in exports when compared to the metro Atlanta Region and the state of Georgia. During the past three years - 2015 to 2017 - DeKalb County experienced consecutive years of declines:

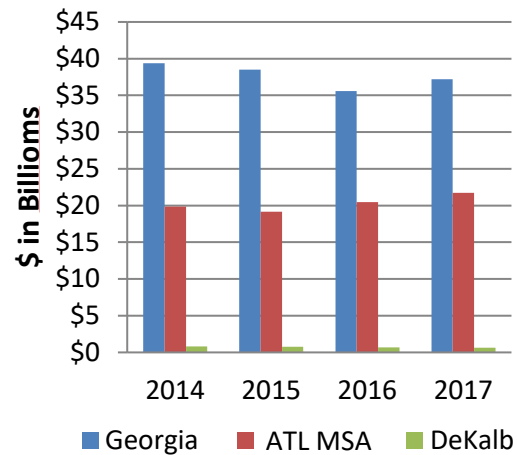
- 2017: (0.6) percent
- 2016: (16.2) percent
- 2015: (2.8) percent

From 2015 to 2017, Metro Atlanta saw growth, as its total share of Georgia exports increased from 50 percent to 58 percent. During the same period, the DeKalb County share of the Metro Atlanta's exports decreased from 4 percent to 3 percent.

As illustrated in Chart 7.9 and Chart 7.10, DeKalb

County's three percent share of Metro Atlanta's export value contrasts with its 14.9 percent share of the region's total number of business establishments. While this correlation is not a definitive indictment of DeKalb's international business performance, it does imply the county's capacity to increase exports to correlate more closely to its share of foreign direct investment and international business activity elsewhere in Metro Atlanta. Further, the three percent export performance is made more significant when considering DeKalb County's 10.1 percent of total regional business revenues (domestic and export) in correlation with the 14.9 percent of regional location.

Chart 7.8: Export Revenue Trends, 2014-2017



Source: US Department of Commerce; International Trade Administration (ITA) <http://tse.export.gov>

Chart 7.9: Metro Atlanta Exports by County, 2012-2017

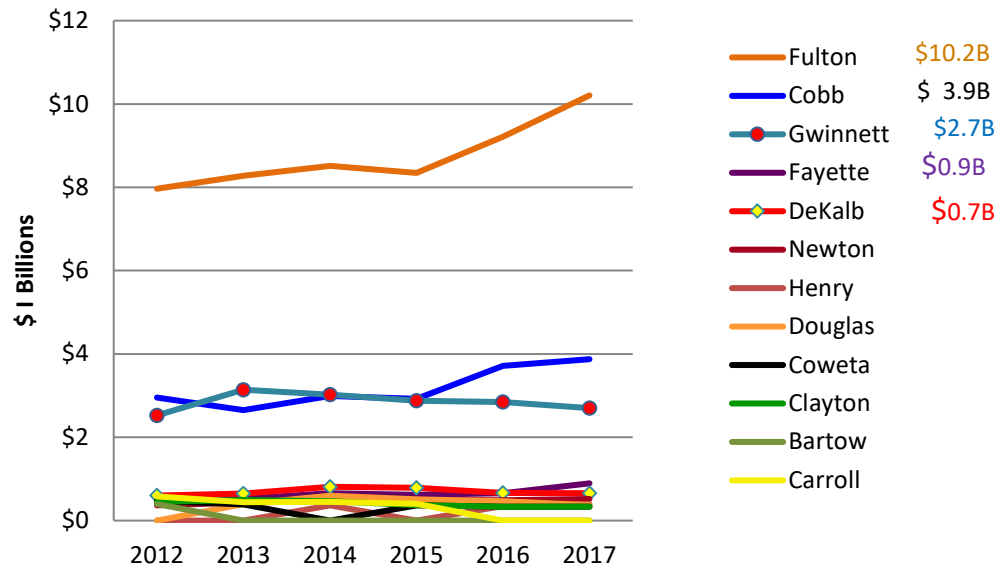
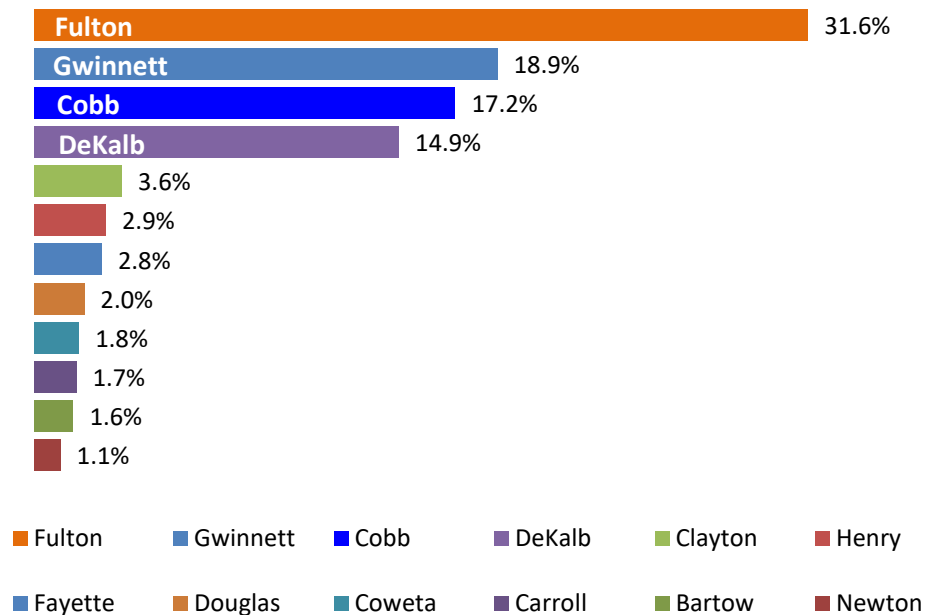


Chart 7.10: Metro Atlanta International Business Sites Share by County



Stakeholder Perspectives: Interviews

Conversations conducted with international business stakeholders in DeKalb County and across Metro Atlanta revealed three prominent findings:

1. There are many products being produced and/or warehoused in DeKalb County for which there is likely demand in the global marketplace, but are not being exported.
2. Metro Atlanta and DeKalb County international business stakeholders do not routinely encounter County economic development resources during international business engagements or activities.
3. Decide DeKalb and other county economic development partners do not routinely engage resources to actively pursue international business development initiatives.

When asked about their primary thoughts on what “International Economic Development” means, respondents provided a variety of answers, including:

- “More education exchange and travel between countries”
- “Increasing reverse investments (FOEs) and exports from domestic companies”
- “A variety of international companies with a presence in DeKalb promoting trade opportunities”
- “The work of bilateral chambers of commerce, trade offices, and foreign investors”
- “Establishing a broad base and being prominent in engaging international members”
- “County is overwhelmed by negative perceptions and racial division which undermine the attractiveness of the business environment for international companies and investors”
- “The community of the thousands of Atlanta-area foreign nationals developing businesses”
- “Establishing a broad business base and being prominent in engaging international businesses”
- “The International Mile – Buford Highway”

Through multiple interviewees, Decide DeKalb indicated that it views its role in international business development as one that “promotes and facilitates international joint ventures for foreign-owned companies with domestic companies.” However, it acknowledges that it has not devoted and/or engaged many resources to roles in international business development due to other economic development priorities and opportunities. It also cites more broadly that the splintered interaction between government, education, and business stakeholders results in not being able to develop a single voice for DeKalb when engaging international business prospects. Finally, Decide DeKalb noted that an improvement in its collaborations with DeKalb County Government and DeKalb Chamber of Commerce stakeholders, as well as improvements in its organizational effectiveness, are necessary to increase and successfully close the international projects that are in the development pipeline.

Other Georgia international business development resources estimate that there are many DeKalb County small businesses that have one or two exportable products or services - mostly industrial goods for use in manufacturing facilities. On average, these potential exporters are small businesses, with 8 to 15 employees and generating just \$500,000 in annual revenue. Many of these companies are estimated to have near 70 percent competency to begin exporting, but lack the confidence and support to pursue international business development.

International trade representatives, who help facilitate foreign investment relationships, note that many international trade and investment groups have a significant focus upon manufacturing. These representatives refer foreign companies and investors to state and local entities and authorities for information and connections. They described opportunities with China, India, Japan, South Korea, and Pakistan and cite specific initiatives like China's "Belt & Road Initiative" (aka "New Silk Road"), which was recently presented and discussed at the Carter Center and included projects in the services, construction, and utilities (e.g. water purification) industries. Discussions with diplomatic representatives indicate additional opportunities for shipping and logistics partnerships, and increased student exchange with the county's colleges and universities, especially with students in accounting, engineering and logistics. Interviews with international trade representatives all characterized DeKalb County's representation in international business activities as lacking.

When asked what DeKalb County could do to develop more international business opportunities, respondents suggested a range of initiatives. Top among them were expanded and active Opportunity Zones, engagement with international trade support resources including small business education and training, and assistance with international market/risk assessments, and guidance to help meet international trade administrative and regulatory requirements. Most interview subjects recommended increased attendance and participation in international trade shows.

When describing the challenges and barriers that could prevent or lessen chances of success for international business development in DeKalb County, stakeholders cited the following:

- Lack of resources to engage and develop the many opportunities and business relationships
- The learning curve to improve coordination between key stakeholders and citizens, and the lack of jurisdictional coordination and alignments between cities, county, and business groups to establish priorities, goals, and initiatives
- Lack of readily available data and information to guide effective strategic and tactical decisions
- Historical issues with county government and race relations

When asked about ways to overcome these challenges and barriers, including the role of Decide DeKalb, stakeholders offered the following:

- Assign personnel with direct international business and economic development responsibilities and job performance metrics. Include in the responsibilities the development of connections to businesses support, guidance and resources for export assistance. SBDC and SCORE have a fee-based, monthly training program, "Develop Import/Export Business," to educate small businesses about international trade.
- Emulate and engage more with the Metro Atlanta Chamber.
- Engage more in international relationship building and networks.
- Improve the organizational effectiveness between Decide DeKalb, DeKalb County Government, and the DeKalb Chamber of Commerce to address DeKalb's "identity crisis," improve coordination between key stakeholders, and *develop a single voice for DeKalb*.
- Be the non-political convener/facilitator and reach out to the international business community.

- Help increase awareness of all of DeKalb County's cultural assets and collaborate to promote and connect to international events.

Federal, state and regional resources are available to help DeKalb establish international business development capabilities and capacity and to overcome many of the challenges.

Metro Atlanta International Business Development

A comparative review of international business development efforts and resources in close proximity to DeKalb County was conducted, and found the following:

- Metro Atlanta counties of Cobb, Fulton, and Gwinnett have definitive international programs with assigned resources.
- Metro Atlanta Chamber has the most robust international business development initiative, including five full-time staff members who interact with a global council composed of members from 300 companies.
- The University of Georgia's Small Business Development Center provides training and support to help small businesses identify and develop export capabilities.
- The Georgia Department of Economic Development's – International Trade team is a state resource that offers a variety of programs and services to support international business development via trade and foreign investments, and which includes staff expertise and interactive digital resources.
- The US Department of Commerce's Office of the International Trade Administration provides comprehensive online and staff support for exporting companies
- Emory University's Start:ME program is an intensive accelerator program for promising local small businesses.
- SCORE Atlanta is a non-profit association dedicated to educating entrepreneurs and helping start-up small businesses throughout Metro Atlanta.

International Economic Development Environment Outlook

Global economic conditions are critical factors to assess in order to plan for DeKalb's international growth in trade and foreign investments. Conditions in a given country can be affected by the nation's demographics, employment levels, size and type of industrial base, and total economic output, in addition to its ease of doing business, geopolitical factors and more. As a simplifying measure, this report uses the economy's overall size and Gross Domestic Product (GDP) growth of individual countries as defined by the International Monetary Fund (IMF) as the strategic metric by which to evaluate and prioritize DeKalb County's international business development prospects. Trade statistics from the World Trade Organization were used to identify industry-specific global trade activities.

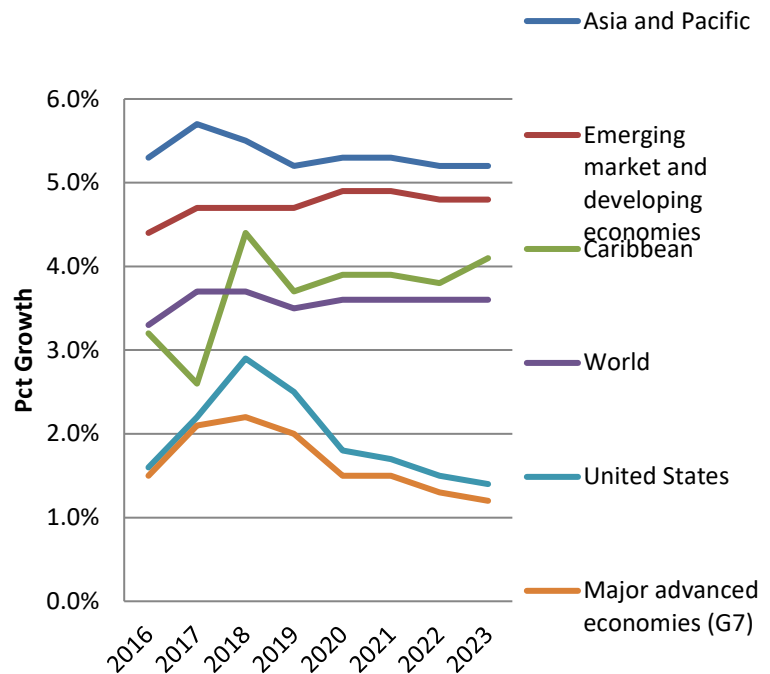
The size of the global economy is estimated at \$80 trillion in nominal terms, with the top 10 economies constituting two thirds (67.5 percent) of global output at the close of 2017¹. The \$20 trillion US economy is the largest, comprising approximately 25 percent of the global economy, and was projected to achieve GDP growth of roughly three percent in 2018. The IMF has projected slower US GDP growth of 2.5 percent for 2019 and 1.8 percent in 2020. A recent IMF reassessment now projects slowing in the global economic rate of growth as noted by its chairperson:

“The risks of a sharper decline in global growth [have] certainly increased. Add to this the uncertainty, the geopolitical worries, and disappointing long-term growth prospect, and you have an economic picture with a pretty clear message. That message is the following for policy makers: address the remaining vulnerabilities and be ready if a serious slowdown were to materialize.”

IMF Chair Christine Lagarde, speaking at the 2019 World Economic Forum in Davos, Switzerland⁴

According to the IMF Chair, the main drivers of the reduced rate of growth center mainly around the issues that weaken economic expansion in the developed economies, such as the United States and China tariffs “war,” and the United Kingdom’s Brexit dilemma. While the downward adjustment in the GDP forecast is broadly significant, it is also important to note that major segments of emerging global markets have higher growth rates. As presented in Chart 7.11, while advanced economies are projected to decline below 2 percent GDP growth by 2020, the Asia/Pacific, Caribbean, and Emerging Markets clusters have annual growth projections that exceed 3.6 percent until at least 2023.

Chart 7.11: GDP Projections for Selected Markets



Source: International Monetary Fund

According to the World Bank, exports of goods and services made up 36.9 percent of global GDP. Between 2007 and 2011, the value of US exports averaged 12.2 percent of its GDP, and from 2012 to 2016 the exports component of GDP increased to an average of 13.1 percent. During the same period, the value of Georgia’s exports fluctuated and resulted in an average annual growth rate of 0.6 percent. The Atlanta 10-county region had a 3.1 percent average annual export growth rate, bolstered primarily by Fulton County’s 3.8 percent growth in exports. Fulton County accounts for approximately 46 percent of the region’s exports, compared to DeKalb’s 3 percent.

DeKalb County averaged 3.5 percent annual growth in exports during the period, but experienced an average annual decline of -6.5 percent during the last three years. DeKalb’s international business base is largely unattended by DeKalb County economic development staff, while the City of Atlanta, Cobb,

⁴ <https://www.cnbc.com/2019/01/22/imf-chair-lagarde-cuts-global-growth-forecast-for-2019-to-3point5-percent.html>

Fulton, and Gwinnett counties have comparatively robust and highly-engaged international business development resource teams.

A positive business climate is fundamental to international economic development within DeKalb County. In order for DeKalb County to improve its international business base and performance, it must implement sustainable and collaborative infrastructure and development initiatives to proactively help improve its business climate.

Further Analysis and Assessment

Quantitative

As noted, DeKalb County has a significant quantity of businesses involved in international trade and investment, with more than 1,000 exporters providing over 84,000 jobs and generating annual revenue of approximately \$700 million. DeKalb County has more than 270 identified foreign-owned enterprises, employing estimated 10,000-plus individuals, and producing almost \$200 million in annual revenue. When compared to the seven individual target market segments identified in the 2014 SEDP, the DeKalb County international economy would rank first in jobs and annual revenues and fourth in number of total establishments. This indicates that as DeKalb County seeks to attract investment in its identified target industries, it also should view business expansion and retention through the lens of potential for

Table 7.5: DeKalb's Top Five Export Markets, 2017

	DeKalb Export Value	2018 GDP	% GDP Growth 2018-2023
France	\$30.5m	\$2,794b	1.6%
Saint Lucia	\$29.2m	\$2b	2.6%
Belgium	\$24.0m	\$536b	1.5%
Hong Kong	\$21.1m	\$360b	3.2%
Nigeria	\$19.2m	\$398b	2.4%

Sources: 2017-2018 PIERS Reports

The five largest countries for DeKalb County in terms of export revenue are 1) France, 2) Saint Lucia, 3) Belgium, 4) Hong Kong, and 5) Nigeria. These countries combined to generate \$124 million (18.8 percent) of the county's exports in 2016. As illustrated based on the projected growth of GDP, Saint Lucia, Hong Kong and Nigeria are expected to outpace that of the US 1.4 percent GDP growth by 2023, which make these countries attractive potential targets for DeKalb County export growth and a possible hedge against slower US growth. While the sizes of these economies are significantly smaller than those of more advanced economies, they are potentially lower in comparative costs to compete.

The top five largest source countries for DeKalb County's foreign-owned enterprises are 1) Germany, 2) the United Kingdom, 3) the Netherlands, 4) Canada, and 5) Japan (Table 7.6). The countries which have GDP growth that meet and/or exceed that expected in the US are the Netherlands and Canada.

Immigrant Entrepreneurs

DeKalb County's substantial population of foreign-born citizens, including refugees, also constitutes a potential base asset for international business development because of residents' connections with more than 50 origin countries. This segment of the population represents a pool of potential foreign trade entrepreneurs and domestic workforce for foreign-owned enterprises from their countries of origin.

Table 7.6: DeKalb's Top Five Sources of FOE

	Foreign-Owned Enterprises	2018 National GDP	% GDP Growth 2018-2023
Germany	47	\$4,029b	1.6%
United Kingdom	43	\$2,809b	1.5%
Netherlands	36	\$910b	2.3%
Canada	27	\$1,734b	1.8%
Japan	19	\$5,071b	0.7%

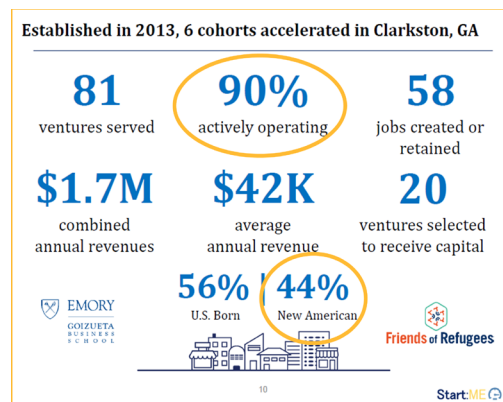
Qualitative

Sources: 2017-2018 PIERS Reports

DeKalb County has a variety of stakeholders with insights and expertise in international business development. The county also has access to resources to assist and enable international business development. Many stakeholder and resource contacts expressed interest in working with Decide DeKalb to support the expansion and growth of DeKalb County's international business base.

A noteworthy example of stakeholders interested in working with DeKalb County to help increase the number of international entrepreneurs with a high potential to engage in international business is the Start:ME Program of Emory University's Goizueta Business School. Start:ME is an intensive accelerator program for promising local small businesses. In the Start:ME Program, Emory partners with community-based nonprofits and other stakeholders to support talented entrepreneurs who live in, work in, and/or provide valuable products and services to the Atlanta community. Through its Clarkston program, Start:ME has served 81 new ventures with a 90 percent success rate, of which 44 percent are immigrants, as presented in Figure 7.5. The industries represented among the Start:ME entrepreneurs include Professional Services (24 percent), Health, Beauty, and Fitness (17 percent), Arts and Culture (15 percent), and Food (14 percent). Professional Services was identified as a county target industry in the 2014 SEDP, and Food Products (37 percent) is the county's largest export category.

Figure 7.5: Start:ME 2018 Results



The Clarkston area represents a potential pool of international business entrepreneurs who represent more than 40 countries. Of these 40 countries, 16 have significant populations represented in the area, with 13 of the countries having projected annual GDP growth, that averages between 2.4 percent to 7.9

percent by 2023 according to the International Monetary Fund (IMF). This project growth of these countries' GDP is much greater than the projected US GDP growth of 1.4 percent by 2023.

Table 7.7: Clarkston Nationalities by GDP Growth Rate

	2018 National GDP	% GDP Growth 2018-2023
Ethiopia	\$84b	7.9%
Myanmar	\$72b	6.9%
Vietnam	\$241b	6.5%
Cambodia	\$24b	6.4%
Eritrea	\$7b	4.1%

2017-2018 PIERS Reports

The five fastest-growing countries by GDP that are represented in the Clarkston area population are listed in Table 7.7, of which the largest economies are Ethiopia, Myanmar, and Vietnam. These are emerging economies, and though small, they represent growth opportunities for emerging entrepreneurs to establish business relationships with their native countries in which language, culture, and business practices are

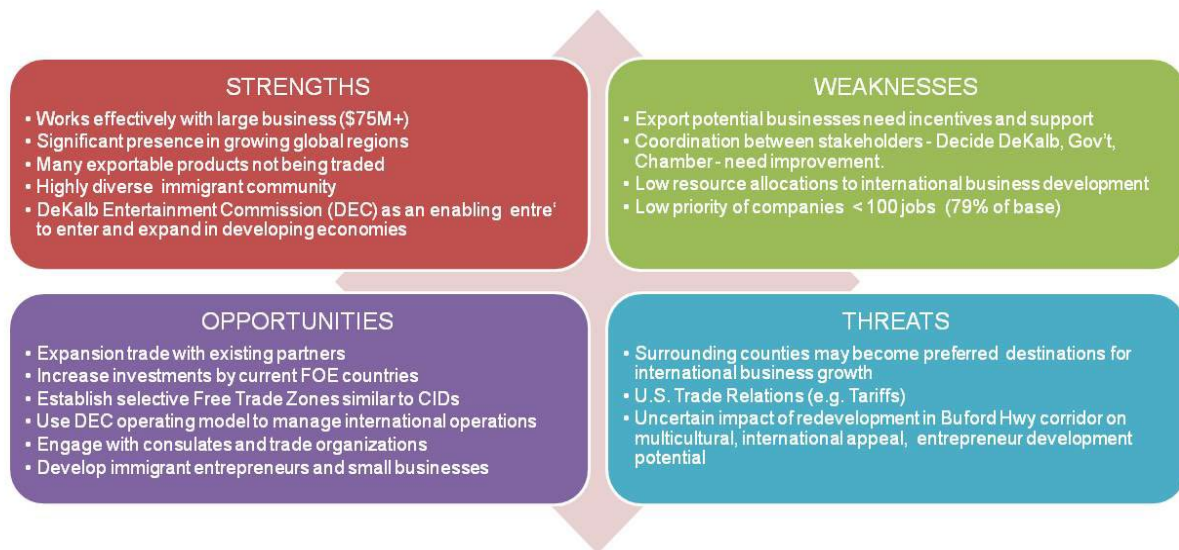
familiar. Emerging economies often consist of many small businesses seeking trade, collaboration, and foreign partners, so working with other small businesses in developed economies may offer incentives. These economies often lack the goods and services sought by an expanding middle class, which offer additional incentives. Through immigrant entrepreneurs, DeKalb County can position itself for increased exports and foreign investments with high growth potential.

Key Takeaways

DeKalb County is well-positioned with sufficient opportunities, capabilities, capacity, and relationships to expand its international business base and execute an international business development strategy as a significant component of its updated SEDP. DeKalb County has several strengths that can be leveraged to capture these opportunities to expand its international business base. However, it also has weaknesses that should be considered and strengthened, and a number of threats that should be mitigated in order to fully capitalize on its opportunities. The primary strengths, weaknesses, opportunities, and threats to the development of the DeKalb County international business development are listed in Figure 7.6.

Figure 7.6

International Business SWOT



DeKalb County and its economic development stakeholders can collaborate to improve its prospects for international business success.

1. DeKalb County's key strengths in the international business environment are in its current presence in the global market place. Additionally, there are existing companies that have unmet potential to engage in international trade. Finally, the DeKalb Entertainment Commission (DEC) operations model can be leveraged or replicated for international business development operations and work activities. DeKalb County's primary weakness involves the potential export businesses' lack of guidance, support, and incentives. A second weakness is the county's primary business and economic development stakeholders need to strengthen collaboration and engagement with the international business segment. There are few resources allocated to international development as compared to entertainment and large business prospects. Perhaps due to resource limitations, low priority is given to engaging firms with fewer than 100 employees, which make up 79 percent of internationally-engaged businesses in DeKalb County.
2. With the engagement of business owners, consulates, and foreign trade groups, there are many opportunities for DeKalb County to leverage current exporters and for FOEs to expand trade and increase investments. By creating Free Trade Zones (FTZs) and developing a strong base of immigrant entrepreneurs and businesses, DeKalb County can position itself to capitalize on these opportunities.
3. Some of the major threats to DeKalb County's development of its international business base include other metro counties being more aggressive and engaging to attract and further develop their bases. US tariffs pose another threat that can undermine confidence and growth but could be mitigated through a diverse portfolio of international trade and investment options. Finally,

the uncertain impacts of new development taking place in the Buford Highway corridor could reduce DeKalb County's comparative attractiveness in metro Atlanta for international retail establishment, which often serve as the last mile distribution point for international trade of

The composition and performance of the county's international business base is comparable to that of its current target markets and should therefore be included as a high priority target market.

DeKalb County needs a robust international business engagement and development strategy as a significant component of its Strategic Economic Development Plan (SEDP) Update. It needs to secure the funding and staffing and establish the operational infrastructure to implement and execute the international business development strategy. The county needs to monitor, measure, and report the performance of its international development efforts, as well as the performance of its international business base on a monthly, quarterly and annual basis.

Recommendations

The following strategies and key initiatives can help the county to proactively engage in the development and growth of its internationally-oriented economy. Broad goals should be established within each strategic focus area to deliver continuous growth, prosperity and inclusion.⁵ In this context, growth means top line improvements in numbers of businesses, revenues, and jobs; prosperity means improvements in productivity or net returns for individuals and businesses; and inclusion means all segments of the population and economy are included.

- DeKalb County should establish the following three-phase strategy to develop and expand its international business base.

Phase 1: Base Protection Strategy – A group strategy designed to maximize exposure, coverage, engagement, and support among all of the county's internationally-engaged businesses and prospective businesses (including exporters and foreign-owned companies/foreign direct investment).

Phase 2: Growth Strategy – A strategy to identify and engage high growth potential segments and companies, and provide the facilitation and enabling support the specific groups and individual companies need to maximize their growth.

Phase 3: Development Strategy – A strategy to identify segments of the international economic (population and business) base with significant entrepreneurial potential to innovate and/or “seed and feed” the pipeline of existing international business segments of the county.

- DeKalb County should adopt a strategic focus in the areas of 1) trade/exports, 2) foreign-owned enterprises and 3) entrepreneurial development.

⁵ https://www.brookings.edu/wp-content/uploads/2016/02/BMPP_RemakingEconomicDevelopment_Feb25LoRes-1.pdf

1. Trade/Exports

DeKalb County should prioritize, target, and define goals for direct and indirect engagement to develop and strengthen relationships with countries to which it currently exports products and services. The Consultant recommends an initial launch that targets the Top 3 countries among its Top 5 export countries, with the highest projected GDP growth by the year 2023 which are St. Lucia, Hong Kong, and Nigeria. The Consultant further recommends that DeKalb County prioritize Manufacturing and Wholesale companies, which comprise more than 63 percent of the county's exporters.

2. Foreign-Owned Enterprises (FOEs)

County economic development staff should seek to attract investments from the two countries among its top five sources of foreign direct investment with the highest projected GDP growth by the year 2023: the Netherlands and Canada. DeKalb County can also prioritize the recruitment of American headquarters locations of companies from those countries, particularly those in the SEDP's identified target industries.

3. Entrepreneurial Development

DeKalb County should engage entrepreneurial development networks in its communities and across Metro Atlanta to help facilitate and enable the development of internationally-engaged businesses by the county's immigrant population, including refugees. To begin, County staff should engage with Emory University's Goizueta Business School Start:ME Program, which works as an accelerator program for promising local small businesses.

- DeKalb County should assess, identify and establish a Foreign Trade Zone (FTZ). FTZs allow goods to enter the US without being subject to customs and tariffs under certain conditions. FTZs can create incentives for new small business, help create additional jobs, and attract foreign direct investment. An FTZ is a means through which to protect and enhance DeKalb County's base of international businesses. In line with the targeted Advanced Manufacturing and Transportation and Logistics industries, an established DeKalb County FTZ should include incentives that seek to attract components of international supply chain processes, making it easier for firms to move raw materials and finished goods in and out of the county.
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DeKalb County Strategic Economic Development Plan 2024

Chapter Eight: Implementation Strategies

Introduction

The Implementation Strategy Chapter is the culmination of the work presented in the previous analyses. Ultimately, the following narrative details recommendations for DeKalb County and its implementation partners to consider as it advances county-wide economic development efforts. The strategies presented in this chapter reflect the advice and recommendations from the SEDP Working Group, RKG Associates, and the stakeholders who engaged (and were engaged) through this effort. It is important to note that this chapter is not intended to supplant continued discussion, engagement, and analysis by—and on behalf of—the County to establish annual economic development business plans that use this document as a guide and reference point.

RKG Associates encourages the County leadership to accept and adopt this plan. It is our perspective that the work that has come from the community outreach effort, the stakeholder engagement effort, the empirical analysis, and collaboration with the Technical Team and the Working Group accurately reflects the vision of the community, the realistic opportunities in each employment center, and the efforts necessary to maximize the effectiveness and efficiency of the County's invested resources.

Purpose and Vision

Before any community can formulate a strategic action plan, it must first agree upon its desired outcomes. As part of the SEDP update process, RKG and the SEDP staff led a robust public engagement campaign to understand DeKalb residents' goals for economic development. Feedback gathered at three public "town hall" meetings, six Working Group meetings, and dozens of interviews helped define the vision and objectives that underpin every recommendation included in the SEDP Implementation Matrix.

Purpose

To create an environment that encourages domestic and international businesses to start, locate, thrive, and grow within any of the County's employment centers and commercial corridors while empowering residents to participate in the wealth creation offered by those investments.

Vision

A comprehensive and collaborative partnership among all local, regional, and statewide economic development entities to elevate the economic opportunities and benefits to DeKalb County businesses and residents

RKG Associates used the purpose and vision statements above to define the recommendations that are detailed in the Priority Action section and the companion Implementation Matrix.

Economic Development Goals

Building upon the purpose and vision, RKG Associates worked with the various stakeholder groups and the County's elected officials to identify specific economic development goals. These goals are meant to inform the actions of Decide DeKalb and the County's economic development decision-makers. The broad,

comprehensive goals are organized in five categories, and listed below in no particular order: business retention, expansion and recruitment; physical asset development; incentives and policy toolbox; marketing and outreach; and organization and communication.

Business Retention, Expansion, and Recruitment Goals

- Engage and support more existing businesses – One of the earliest priorities that developed through this process was to preserve and support existing businesses in the County. There is general recognition that helping our existing businesses thrive and grow will be a more cost-effective way to generate new investment and job growth.
- Implement a proactive target industry recruitment effort – Recent recruitment efforts have focused more on serving prospects that approach DeKalb County or one of the regional/statewide economic development partners. This SEDP process offers solutions for the County to be more proactive in partnership development and direct recruitment efforts.
- Create a supportive environment to foster start-up businesses – Much of the County's efforts to date have focused on larger businesses. This SEDP process includes strategies for the County to become a more proactive partner in entrepreneurial and small business growth.
- Increase efforts to develop international business opportunities – Like the business recruitment goal, the community identified international business development as another area that DeKalb should be more proactive.
- Leverage local, regional, and statewide partners to implement action items – As noted, part of the recommended strategy is to use strategic partnerships with the state and regional stakeholders (i.e. Metro Atlanta Chamber, Georgia Power...) to reduce the cost of this proactive marketing to existing and potential businesses.

Physical Asset Development

- Formalize economic development concepts for each employment center – Chapter 5 Employment Center Analysis provides a detailed assessment of each of the 14 employment centers identified in DeKalb County. Further effort should be done to confirm and codify those concepts that can be used to address policy and marketing opportunities.
- Engage key property owners more consistently and strategically – Economic development plans without buy-in from the effected property owners are dreams. The Working Group and leadership agree that more consistent and strategic engagement and education with key property owners is important to the next phase of the County's efforts.
- Become more proactive in real estate investment – Several respondents noted a desire to see economic development activity throughout DeKalb County. The SEDP identifies opportunities that are market viable in current conditions and one that could be viable as investment occurs. The County can accelerate some of these opportunities by becoming more proactive in real estate investment. Simply put, investments would be occurring if there was a market for them. Some communities are willing to intervene to make investment happen more rapidly.
- Continue implementing existing infrastructure strategies – One of the challenges facing new development is access to suitable transportation and utility infrastructure. Several efforts are underway/recently completed to identify strategic efforts to improve both. These investments benefit economic development efforts similarly to how they will benefit existing residents and businesses.

Incentives and Policy Toolbox

- Continue to build more predictable and consistent review and approval processes – As noted previously in the document, the County has made strides to improve its review and approval processes. The Implementation Matrix identifies some additional options to the County to continue that process.
- Develop formulaic incentives for businesses of all sizes – The County has a parallel analysis underway that is assessing all county-operated incentives. RKG Associates has reviewed draft recommendations from this effort and supports the implementation of these strategies.
- Create specific incentives for target industries – Similar to the previous goal, assessing existing and new incentive recommendations and creating more accelerated threshold and/or deeper assistance for target industries should be considered.
- Match land use regulations to economic development vision – The County should use the results of the SEDP to assess existing land use regulations—particularly in employment centers—and recalibrate those policies based on the stated economic development vision. Streamlining the approval process likely will spur additional development.
- Utilize state and federal incentive programs to augment local efforts – The County effectively markets incentives offered from partnering entities in some instances, but does not in others (i.e., small business). Being more comprehensive and proactive in increasing awareness in partner programs, and how those programs dovetail with county efforts, could attract greater interest and investment.

Marketing and Outreach

- Create marketing collateral to ‘sell’ the defined economic development vision – Creating baseline marketing materials that detail pertinent retention, expansion, and recruitment information is a fundamental need for proactive marketing.
- Improve DeKalb’s electronic and social media presence and activity – Dedicating the financial and staffing resources necessary to ensure DeKalb’s message is accurate, current, and timely. Social media activity also is a good way to enhance community engagement and education.
- Cultivate existing and new relationships with site selection professionals – Like property owners, consistent and informative engagement with professionals that assist companies in site selection will increase regional, national, and international awareness of DeKalb’s strategic plan and interest within its target industries.
- Formalize a networking and partner engagement strategy – This goal focuses on creating a comprehensive and strategic plan to engage all partners in an efficient and effective manner.

Organization and Communication

- Improve the effectiveness and efficiency of strategy implementation – DeKalb County leadership sought to understand how to better implement economic development efforts. The SEDP provides options for consideration focused on structure, operations, and approach.
- Clearly define implementation roles for all parties – Creating defined roles is critical in a community that has so many partners/key stakeholders. Each must understand and embrace

their respective role. The Implementation Matrix offers recommendations on who should be leading specific efforts and who should be supporting those entities.

- Activate the private sector as partners in implementation – The Advance DeKalb initiative is a testament to how the private sector recognizes the strides DeKalb has taken to improve its economic development activity. However, it only touches on financial support. The SEDP identifies additional, strategic partnership that can be activated and supported by the private sector.
- Implement a proactive community outreach and education initiative – DeKalb County’s diverse and complex marketplace is challenging to understand or trained professionals. Expecting all its citizens to understand the “who, what, where, when, and why” of economic development without assistance is unrealistic. Helping inform the community benefits the economic development process by minimizing confusion and speculation.

DeKalb County Diversity

As mentioned throughout this document, DeKalb County is a diverse and complex marketplace with several unique economic activity centers. This Plan analyzed the idiosyncrasies of the 14 primary activity centers and identified specific opportunities based on current and projected market potential, stated community interest/vision, and competitive assets/challenges. As noted in Chapter 5, county communities’ differences mean that not all opportunities are viable in each activity center. Specific actions will need to be considered (i.e. re-zonings, incremental development strategies, custom incentive programs, etc.) for some opportunities to become realistic in certain areas of the county.

That said, this updated SEDP document recognizes that the County’s economic development effort should not focus on one specific opportunity and/or one specific area of the county. Businesses choose where to local and conduct business based on market and financial factors. Locally-focused economic development efforts should capitalize on existing strengths, seek to mitigate real and perceived challenges, and provide existing and prospective businesses to make informed decisions about DeKalb County. The activity center analysis in Chapter 5 provides concrete strategies for the County to consider as it seeks to merge local neighborhood visions with market/financial reality. This implementation chapter details the universal efforts that can be used to strengthen individual employment center markets and position the County to capitalize on its overall employment base, to create business and job opportunities for residents, and to strengthen the County’s fiscal sustainability.

Implementation Matrix

The following pages detail the short-term, mid-term, and long-term recommendations to advance the County’s economic development efforts. These recommendations were created through collaboration between RKG Associates, DDDA and County staff, interaction with the dedicated SEDP Working Group, engagement the County’s leadership, and feedback from the DeKalb County community. The matrix includes recommended timelines, prioritization, and specific approaches for the County and its implementation entity to consider. These tasks reflect

the defined goals and objectives, having been crafted through RKG Associates' effort to identify best-practices that consider the financial, economic, market, and political climate of DeKalb County.

That said, these approaches, timelines, responsibility assignment, and cost estimates are not absolute. DeKalb County and its implementation entity likely will need to recalibrate implementation and/or partner engagement based on the ever-changing marketplace and community priorities. However, the concepts detailed herein reflect the concept and intent of these recommendations. Focus should be on accomplishing the defined goals and objectives. RKG Associates encourages the County to use this matrix as a guide to success rather than a specific blueprint that must be implemented as written.

DEKALB COUNTY, GEORGIA Strategic Economic Development Plan Update Implementation Matrix		Implementation Lead		Implementation Timing (Year)					Estimated
		Public/NP	Private	2019	2020	2021	2022	2023	Cost
ORGANIZATION AND COMMUNICATION									
Objective #1	Create a public-private partnership (PPP) implementation entity to increase private sector engagement and enhance the County's effectiveness and efficiency at business retention, expansion, and recruitment.								
Action 1:	Work with Advance DeKalb initiative to create a board structure (recommend a 501(c)(3) structure) that provides representation to public and private entities	DA	C, I						A
Action 2:	Ensure the board structure maintains a private-sector majority voting ratio	DA	C, I						A
Action 3:	Provide one(1) appointed seat for: DeKalb County; DeKalb Municipalities, DeKalb public schools; DeKalb Chamber; DeKalb Convention & Visitors Bureau, and the DeKalb Community Improvement Districts (CIDs)	DA	C, I						A
Action 4:	Create at least seven (7) at-large private sector board seats	DA	C, I						A
Action 5:	Ensure all board members must be financial or in-kind contributors (set a minimum investment requirement of \$10,000 annually)	DA	C, I						A
Action 6:	Appointment seats can only be filled if the appointing entity meets the contribution threshold	DK, DA, DM, PS	C, I						A
Action 7:	Codify that elected officials cannot serve as an executive officer for the new implementation entity	DA	C, I						A
Action 8:	Rework the County's intergovernmental agreement (IGA) to be a 5-year contract with the new 501(c)(3) implementation entity	DK, DA	C, I						A
Action 9:	Transfer the County's annual appropriation for economic development efforts to the new entity	DK, DA, ED							A
Action 10:	Move all economic development implementation staff from Decide DeKalb to the new implementation entity	DK, ED							A
Action 11:	Continue to have the Decide DeKalb Development Authority function as the financing entity for economic development on behalf of the County	DA, ED							A
Objective #2	Fund the new implementation entity commensurate with outcome expectations								
Action 1:	Stabilize the public investment in economic development by committing the full \$1.5M annual budget through appropriations, with a commitment to increase the budget by 10% annually through 2023	DK, DA/ED							G
Action 2:	Continue the work of Advance DeKalb to reach the \$400,000 annual contribution for five (5) years from private or non-county government entities, targeting a 10% increase year over year through 2023	DA/ED	I						D
Action 3:	Transfer the net revenues from the Development Authority's financing efforts to fund the DeKalb County Economic Development Fund and/or the DeKalb County Land Bank (SEE TOOLBOX RECOMMENDATIONS)	DK							A
Objective #3	Staff the economic development organization commensurate with the stated goals								
Action 1:	Increase the marketing staff by one (1) full-time professional	DA	I						D
Action 2:	Increase the business retention and expansion efforts by one (1) full-time professional	DA	I						D
Action 3:	Staff the Development Authority with a finance manager position (FTE) to work in partnership with the new implementation entity staff	DA							D
Action 4:	Increase the development efforts by one (1) full-time professional focused on redevelopment efforts	ED							D
Action 5:	Create an international business recruitment effort with one (1) full-time professional	ED							D

DEKALB COUNTY, GEORGIA					Implementation Lead		Implementation Timing (Year)					Estimated
Strategic Economic Development Plan Update Implementation Matrix					Public/NP	Private	2019	2020	2021	2022	2023	Cost
ORGANIZATION AND COMMUNICATION												
Objective #4	Create greater coordination and collaboration with economic development entities and partners within DeKalb County											
Action 1:	Create a memorandum of understanding (MOU) with each municipality on the county's implementation entity's roles and responsibilities within their respective borders				DA/ED, DM							A
Action 2:	Coordinate with the DeKalb Chamber of Commerce to define their role in economic development efforts. Confirm (or refocus) their role in overseeing workforce development coordination				DA/ED, CC							A
Action 3:	Create specific communication protocols with the DeKalb County deputy COO for development and that individual's departments. Ensure all economic development efforts are immediately referred to the implementation entity				DA/ED, DK							A
Action 4:	Develop similar operational agreements with other DeKalb partners (i.e. public schools, Discover DeKalb, the CVB...)				DA/ED, PS, VB, WS							A
Action 5:	Provide a monthly progress report (either in person or in writing) to the County Commission and CEO on status of projects and progress in metrics (SEE TOOLBOX RECOMMENDATIONS)				DA/ED							A
Action 6:	Establish a quarterly coordination meeting with all public County and municipal partners to discuss any ongoing or upcoming coordination efforts				DA/ED, DK, DM, PS							A
Action 7:	Establish a quarterly or semiannual coordination meeting with the community improvement districts (CIDs)				DA/ED, CI							A
Action 8:	Define the focused role of the Development Authority as their state-defined role of providing specific financing tools for economic development efforts				DA, ED							A
Objective #5	Enhance strategic relationships with local and statewide implementation partners											
Action 1:	Continue to serve on and engage with the Georgia Innovation Crescent organization by participating in all meetings				DA/ED, IC							A
Action 2:	Establish a quarterly strategic meeting schedule with regional and statewide partners including: Georgia Department of Economic Development, Metro Atlanta Chamber, and Georgia Power Community and Economic Development				DA/ED, GA, MC, GP							A
Action 3:	Create a semiannual coordination meeting schedule with representatives from Fulton, Cobb, and Gwinnett counties, inviting the state and regional partners				DA/ED, CB, FU, GW							A
Action 4:	Have a staff member serve as direct liaison to each industry segment team for the Metro Atlanta Chamber, making sure to have representation at regular meetings				DA/ED							A
Action 5:	Provide monthly/quarterly reports to regional and statewide partners on activity and successes to regional and statewide partners (can also serve as part of communication with the County)				DA/ED							A
Objective #6	Activate engaged DeKalb County citizens in community outreach and implementation											
Action 1:	Recruit and train three (3) community advocates each year to be vocal supporters of economic development, having them prepared to lead public discussions on economic development in general or on specific issues				ED	N						A
Action 2:	Identify and train at least four (4) business ambassadors for each of the target industry sectors to assist the economic development staff in retention and recruitment visits				ED	I						A
Action 3:	Develop a formal business mentor program, starting with at least two (2) mentors available in each of the County's commission districts using a recognized mentorship training program such as SCORE or the SBA mentorship program				ED, DK, DM	N						C

DEKALB COUNTY, GEORGIA Strategic Economic Development Plan Update Implementation Matrix		Implementation Lead		Implementation Timing (Year)					Estimated
		Public/NP	Private	2019	2020	2021	2022	2023	Cost
BUSINESS RETENTION AND EXPANSION									
Objective #1	Create a more comprehensive business contact list to ensure retention and expansion efforts reach all County businesses								
Action 1:	Work with County staff to mine the business licensing data. Reconfigure the licensing process to include information relevant to building a more comprehensive contact list (i.e. new mandatory fill-in items on the application)	DA/ED, DK							A
Action 2:	Coordinate with the Chamber of Commerce on their contact list	DA/ED, CC	I						A
Action 3:	Use sign-in sheets to collect and verify existing data for the business list	DA/ED							A
Action 4:	Ask roundtable members to advertise volunteer walks and engage their relationships to build the database	DA/ED	I						A
Action 5:	Implement volunteer walks, having 20-30 volunteers canvas employment centers and commercial corridors to gather contact information. This will require substantial advertisement	DA/ED							B
Objective #2	Cosponsor the annual business survey with the Chamber of Commerce								
Action 1:	Establish a fixed date (i.e. week) that the survey will be released. This should be consistent year over year. Recommend the Fall	DA/ED, CC							A
Action 2:	Work with the Chamber and industry roundtables to refine questions and expand awareness of the survey each year	DA/ED, CC	I						A
Action 3:	Invest in marketing and outreach at least 2 months prior to the release of the survey each year	DA/ED, CC							B
Action 4:	Share general results of the survey with roundtables, partner organizations, and the community through the monthly newsletter	DA/ED, CC	I, N						A
Action 5:	Use results of survey to prioritize retention/expansion visits for the year	DA/ED, CC							A
Action 6:	Work with respective roundtables about industry-specific findings from survey to determine annual action items	DA/ED, CC	I						A
Action 7:	Retain all survey results to create a longitudinal assessment tool that can help the implementation entity/Chamber become more predictive than reactive to changing market climates	DA/ED, CC							A
Objective #3	Build industry roundtables in a number of different market areas								
Action 1:	Create an industry roundtable for every key market sector within the County including [1] Health & Life Sciences; [2] Corporate Operations & Professional Services; [3] Advanced Manufacturing; and [4] Logistics & Distribution	DA/ED	I						A
Action 2:	Make sure all partner organizations have representation on roundtables that crossover missions (i.e. MAC, Georgia Innovation Crescent...)	DA/ED, MC, GP, IC, CC	I						A
Action 3:	Meet each roundtable quarterly or semiannually as necessary, with one meeting targeted immediately after the release of the business survey results	DA/ED	I						A
Action 4:	Use roundtable meeting to discuss: [1] market climate; [2] regulatory issues; [3] growth opportunities; [4] implementation coordination	DA/ED							A
Action 5:	Use feedback from roundtables to help set annual action plan	DA/ED							A

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BUSINESS RETENTION AND EXPANSION									
Objective #4	Enhance outreach efforts to existing businesses								
Action 1:	Use the comprehensive business list to identify new companies to visit and track past visit efforts. Do not concentrate on the same businesses year over year	DA/ED	I						A
Action 2:	Establish quotas for number of monthly visits, starting with thirty (30) per month, expanding as more staff is hired	DA/ED							A
Action 3:	Use business survey results to prioritize outreach efforts	DA/ED							A
Action 4:	Maintain database of visited businesses to track frequency and results of the visit	DA/ED							A
Action 5:	Activate ambassadors and Board members to assist in outreach, providing them training on questions to ask and how to track the conversation	DA/ED	N, I						A
Action 6:	Create a direct "help line" initiative on the economic development website that allows businesses to connect to an economic development staff member for assistance	DA/ED	C						B
BUSINESS RECRUITMENT									
Objective #1	Focus proactive marketing and recruitment efforts								
Action 1:	Prioritize recruitment efforts to two (2) target industry clusters (health & life sciences and advanced manufacturing are recommended), expanding efforts as new staff is hired	DA/ED							A
Action 2:	Create target industry sector-specific website posting all relevant data and recruitment information for each sector	DA/ED	C						C
Action 3:	Join an advanced manufacturing trade organization (i.e. MDMA), exhibiting at an annual trade show and potentially advertising in their national publications	DA/ED							C
Action 4:	Join a health & life science organization (i.e., iBio), exhibiting at an annual trade show and potentially advertising in their national publications	DA/ED							C
Action 5:	Work with industry roundtable members to identify existing vertical and horizontal supply chain businesses to engage about potential relocation/expansion in DeKalb County	DA/ED	I						B
Action 6:	Create a 'tip line' for citizens to call/Email/text ideas on business recruitment and any leads they may have on businesses that would relocate to the County	DA/ED	N						A
Action 7:	Use a business database vendor (i.e. Dun & Bradstreet or EMSI) to identify potential target businesses to actively contact and recruit to DeKalb County	DA/ED	C						B
Action 8:	Implement quarterly coordination meetings with Georgia Power, MAC, and the State to discuss opportunities/prospects (SEE ORGANIZATION AND COMMUNICATION RECOMMENDATIONS)	DA/ED, MC, GP, IC, GA							A
Action 9:	Attend at least one (1) target industry business recruitment trip sponsored by a regional or statewide partner in each target industry cluster annually, increasing as budget becomes available	ED, MC, GP, IC, GA							D
Objective #2	Host on-site recruitment trips								
Action 1:	Host one (1) 2-3 day marketing trip for prospects each year to include a mixture of information sharing, networking and social activities, increasing the frequency as budget becomes available	ED, MC, GP, IC, GA							D
Action 2:	Coordinate with site selectors, MAC, Georgia Power, and the state to identify two (2) to three (3) business prospects that would benefit from seeing DeKalb County first hand	ED, MC, GP, IC, GA							A
Action 3:	Give priority to prospects that already have business relationships in Metro Atlanta, being strategic about which prospects are invited to attend together	ED							A
Action 4:	Integrate industry ambassadors into the program and activity calendar	ED	N, I						A

DEKALB COUNTY, GEORGIA Strategic Economic Development Plan Update Implementation Matrix		Implementation Lead		Implementation Timing (Year)					Estimated
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BUSINESS RECRUITMENT									
Objective #3	Increase DeKalb County's presence in business recruitment through strategic networking and data collecting practices								
Action 1:	Maintain a database of all prospect interaction, tracking success rates and inventorying noted shortcomings from prospects that locate elsewhere	DA, ED							A
Action 2:	Add all site selectors to the economic development newsletter distribution list (SEE MARKETING AND OUTREACH RECOMMENDATIONS)	DA/ED							A
Action 3:	Work with regional partners to build relationships with site selectors in target industry sectors	ED, MC, GP, IC, GA							B
Action 4:	Host semiannual business recruitment summits with DeKalb municipalities and regional partners to discuss potential opportunities and challenges	ED, DM, MC, GP, GA							A
Objective #4	Implement a more proactive entrepreneurial development program								
Action 1:	Create DIY materials for basic entrepreneurial concepts (i.e. how to write a business plan, how to patent your idea...)	DA/ED	C						B
Action 2:	Provide a robust and frequent business startup lecture series for potential entrepreneurs in DeKalb County	DA/ED	I						A
Action 3:	Establish an entrepreneur program that enrolls ten (10) new businesses each year; expanding as demand and resources allow. Target having an entrepreneurial center in each commissioner district	ED, DM, CC	N, I						C
Action 4:	Establish the local mentorship program that ties local retirees/business leaders to entrepreneurs based on experience and interest using a model similar to SCORE or the SBA mentorship program	ED, DM, CC	I						Already Accounted
Action 5:	Partner with co-work facilities to host classes and/or offer shared space for entrepreneurial candidates	ED	I						
Action 6:	Perform a feasibility study to identify the market potential and financial feasibility of a virtual and/or physical incubator space operated by the economic development entity	ED	C						C
Action 7:	Provide graduates of the program with support to identify and secure their first location	ED	R						A
Action 8:	Create a small business lending consortium with local banks and investors to augment existing revolving loan fund, creating a shared landing pool for start-ups and an angel investor network for accelerating businesses	ED, DM, CC	F, N, I						F
Objective #5	Establish an international business recruitment effort within the DeKalb County economic development entity								
Action 1:	Determine target countries for recruitment based on [1] existing relationships, [2] barriers to entry, [3] economic activity, and [4] competition levels. Work with MAC/state to create implementation plan	ED, GA, MC	I						A
Action 2:	Engage existing international businesses to identify growth/partnership opportunities, focus on businesses that export internationally and foreign-owned businesses	ED, GA, MC	I						A
Action 3:	Work with industry roundtables to identify vertical and horizontal supply chain companies from overseas	ED	I						A
Action 4:	Build relationships with site selectors and financial entities with strong ties to target countries	ED, MC, GP, DK, GA							C
Action 5:	Develop and maintain consulate and trade contact relationships for target countries	ED, DK	F						A

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BUSINESS RECRUITMENT										
Objective #5	Establish an international business recruitment effort within the DeKalb County economic development entity									
	Action 6:	Initiate one (1) joint international recruitment trip annually in partnership with regional economic development entities	ED, DK, MC, FU, GW, CB	C						C
	Action 7:	Develop an international entrepreneur program component to the small business development strategy	ED, CC	I						C
	Action 8:	Consider cofounding a foreign office in one (1) country that shows the greatest opportunity for DeKalb County	ED, DK, MC, FU, GW, CB	I						E
	Action 9:	Pursue establishing Free Trade Zones, specifically in the County's industrial areas and along I-20	ED, DK, GA							A
ASSET DEVELOPMENT										
Objective #1	Formulate (or enact) economic development concepts for each employment center and commercial corridor									
	Action 1:	Use the Employment Center chapter of the SEDP as an initiation point for engagement and action	DK, DA/ED							A
	Action 2:	Launch a joint economic development and planning outreach effort to engage property owners and residents in each employment center and commercial corridor (already started process for Memorial Drive corridor)	DK, DA/ED	C, I, N, O						E (per center)
	Action 3:	Build a unified strategy for each area, allowing municipalities to lead efforts for their focus areas	DK, DA/ED	C, I, N, O						Included
	Action 4:	Incorporate LCI studies and other plans in the planning process	DK, DA/ED							Included
	Action 5:	Encourage elected leadership to engage in the study and champion the results	DK, DA/ED, DM							Included
	Action 6:	Set economic development policies based on results of the efforts	DK, DA/ED, DM							Included
	Action 7:	Create a marketing brochure for each employment center/commercial corridor that encapsulates the vision	DK, DA/ED, DM	C						Included
Objective #2	Work with property owners to ensure economic development plans are consistent with short-term and long-term investment strategies									
	Action 1:	Create a comprehensive ownership database of all commercial properties in each	DA/ED	C						C
	Action 2:	Outreach to property owners during planning efforts to understand existing investment priorities	DA/ED	O						A
	Action 3:	Continue dialogue with owners, particularly catalytic parcels, on a regular basis to track changing strategies and create new opportunities	DA/ED	O						A
	Action 4:	Create a catalyst sites prospectus, defining property ownership, implementation concepts, and available incentives to help bring the vision to fruition	DA/ED	C, O						B

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ASSET DEVELOPMENT									
Objective #3	Create a locally-controlled comprehensive property and asset database								
Action 1:	Inventory all existing vacant commercial and industrial land and buildings	DA/ED	I, O						A
Action 3:	Connect with all property owners to detail price, availability, and vision for those asset; include in online listings	DA/ED	O						A
Action 2:	Create a web-accessible database of those assets to connect to the economic development website	DA/ED	C						C
Action 4:	Create an 'open source' database for property owners and brokers to submit new assets and changes to existing listings	DA/ED	C						Included
Action 5:	Work with regional and state implementation partners to make sure their asset lists are current and complete	DA/ED, MC, GP, GA	O, I						A
Action 6:	Maintain regular communication with property owners to ensure occupied/developed land is removed	DA/ED	O, I						A
Objective #4	Create a funding strategy for expanding available inventory for economic development								
Action 1:	Develop criteria for the County to become a 'developer of last resort' for projects in financially challenging areas; focusing on defining financial criteria (i.e. return of/on investment)	DK, DA, ED, DM							A
Action 2:	Create a DeKalb County Infrastructure Investment Fund (IF) to address immediate infrastructure needs for economic development projects, using future net new revenues from the bond-lease program to capitalize the Fund	DK, ED							G
Action 3:	Establish clear standards for the use of the IF, ensuring access is ties to non-residential development	ED, DK							A
Action 4:	Create a DeKalb County Land Bank (LB) meant to hold properties for the purposes of economic development, both existing County assets as well as properties to be acquired	DK, ED							G
Action 5:	Fund the LB efforts with revenues from the disposition of existing properties and County allocations for new acquisitions. Consider a \$10M bond to initiate the program	DK, DM, ED							A
Objective #5	Continue to support County-focused infrastructure improvement strategies								
Action 1:	Champion all transit and transportation plans that create greater connectivity and access to employment centers and commercial corridors	DA/ED, DK							A
Action 2:	Coordinate with the County's Department of Watershed Management and the COO of Infrastructure to ensure economic development projects/priorities are supportable, seeking joint solutions where inadequacies exist	DA/ED, DK							A
Action 3:	Provide technical assistance to all infrastructure processes as necessary, including [1] fiscal impact analyses of proposed investments, [2] market potential analyses of specific areas, and [3] case study research for joint projects	DA/ED, DK							A
Action 4:	Bring all County departments into prospect projects early to identify and problem solve for any potential issues	DA/ED, DK							A

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TOOLBOX DEVELOPMENT									
Objective #1	Build more consistent and predictable review and approval processes								
Action 1:	Staff three (3) professional ombudsman within the County's Planning Department to help businesses navigate the development approval process, particularly focused on rezoning, permitting, and development approval processes	DK							E
Action 2:	Integrate greater administrative approvals (department heads) for projects/applications that fall below a certain size. For example, any sign application less than 2'x2' can be approved administratively	DK, DA/ED	I						A
Action 3:	Incorporate concurrent review for all real estate development applications that require multiple department reviews.	DK, DA/ED							A
Action 4:	Establish maximin review periods for projects that meet defined incentive criteria surrounding minimum investment (i.e. \$5M) or new job creation (i.e. 20 jobs). Can be sliding scale based on size of project and whether it is a target sector	DK, DA/ED							A
Objective #2	Create a more streamlined development review manual								
Action 1:	Create specific manuals for different industries, using the size, location, and industry type trigger metrics established for each industry	DK							A
Action 2:	Create separate documents for different processes including [1] rezonings, [2] variances, and [3] building permits	DK							A
Action 3:	Make the manuals more visually appealing and reader-friendly	DK	C						C
Action 4:	Have all manuals available on-line on the County website as well as the economic development organization website	DK, ED							A
Action 5:	Review manuals annually with the economic development entity and Chamber of Commerce to identify areas for improvement and/or recommendations to change the trigger metrics	DK, ED, CC							A
Objective #3	Develop formulaic incentive schedule for County-funded incentive programs								
Action 1:	Create a simplified, defined threshold for County financial incentives, focusing on [1] net new jobs created, [2] net new property value, [3] location of investment, [4] industry sector.	DA, DK							G
Action 2:	Provide a sliding scale incentive threshold that increases the County's participation level based on capital investment/net number of jobs, location in priority investment areas, and businesses that fall within the County's target industry sectors	DA, DK, ED							A
Action 4:	Create incentive bonuses for companies that meet minimum performance levels (will require monitoring) including [1] above average wage thresholds (by industry), [2] hiring of DeKalb residents, and [3] Investment in workforce programs	DA, DK, ED							A
Action 5:	Increase awareness and use of the County's Tax Allocation Districts through stronger marketing and connection to employment center/commercial corridor planning (as appropriate)	DA, DK, ED							A
Action 6:	Include claw back provisions in all incentive packages to ensure compliance with stated agreements	DA, DK, ED							A
Action 7:	Work with municipalities and schools to define universal standards for bond lease program, particularly surrounding the commitment of funds from other jurisdictions	ED, DK, DM, DA							A
Action 8:	Augment statewide incentives (i.e. the job tax credit program) with local resources in target industries and priority investment areas	DK							E
Action 9:	Tie any incentives to businesses with less than five (5) employees to participating in the County's small business development program/mentorship program	DA, DK, ED							A

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WORKFORCE DEVELOPMENT									
Objective #3	Establish and implement a DeKalb County job fair								
Action 3:	Hold a 'school day' event where one of the days of the job fair is bringing in middle school and high school students from the County to engage with the employers	ED, CC, PS, WS, UN, TC	I						Included
Action 4:	Incorporate a short town hall discussion with students on job opportunities in the region as well as the requirements/challenges of qualifying for those jobs	ED, CC, PS, WS, UN, TC	I						Included
Action 5:	Work with exhibitors to have information on the education/training requirements and potential salaries of the positions they have available	ED, CC	I						Included
Action 6:	Provide soft skill and job readiness training/experiences (i.e. resume writing, mock interviews...) as part of the job fair for both students and adults	ED, CC, PS, WS, UN, TC	I						Included
Action 7:	Provide space at the job fair for parent/child discussions with exhibitors on an appointment basis	ED, CC	I						Included
MARKETING AND OUTREACH									
Objective #1	Create marketing collateral to 'sell' the defined economic development vision								
Action 1:	Create target industry-specific fact and information sheets	DA/ED	C						C
Action 2:	Create a single contact list for the economic development organization and key County and municipal personnel	DA/ED, DK, DM							Included
Action 3:	Create an incentive pamphlet that lists all available incentives by business type and size (where applicable)	DA/ED	C						Included
Action 4:	Create quality of life information sheets on livability and amenities in DeKalb County	DA/ED							Included
Action 5:	Create materials to market the new ombudsman program	DK, ED							Included
Action 6:	Create a property prospectus book highlighting available land and buildings by employment center and commercial corridor (digital only)	ED, DK	C, I						Included
Action 7:	Create all materials in print and digital format, updating regularly (minimum once a year)	DA/ED, DK							Included
Objective #2	Create a more robust performance dashboard to better engage County leadership								
Action 1:	Establish a formal economic development dashboard to track performance across each of these topic areas: [1] retention, [2] recruitment, [3] entrepreneurial development, [4] workforce development, [5] fiscal sustainability	DA/ED							A
Action 2:	Retention metrics should include: [1] site visits performed, [2] ombudsman assists, [3] jobs retained/expanded, [4] capital investment, [5] network event attendance, [6] prospect contacts	DA/ED							A
Action 3:	Recruitment metrics should include: [1] number of prospects, [2] successful projects, [3] total jobs created, [4] average annual wage, [5] total capital investment, [6] debrief highlights from lost opportunities	DA/ED							A
Action 4:	Entrepreneurial metrics should include: [1] enrollment inquiries, [2] business enrollment, [3] graduations, [4] jobs created, [5] debrief on businesses leaving the program	DA/ED							A

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MARKETING AND OUTREACH									
Objective #2	Create a more robust performance dashboard to better engage County leadership								
Action 5:	Workforce metrics should include: [1] programs offered, [2] program applications and enrollment, [3] internships, apprenticeships, and employment placements, [4] businesses assisted, [5] business inquiries	DA/ED							A
Action 6:	Fiscal sustainability metrics should include: [1] number of incentives, [2] value of incentives, [3] jobs created/preserved from incentives, [4] capital investment creates, [5] new tax revenues, [6] other benefits (i.e. infrastructure investments	DA/ED							A
Action 7:	Provide regular updates to the County Commission (recommended monthly),	DA/ED, DK							A
Objective #3	Implement a proactive community engagement and education initiative								
Action 1:	Hold an annual town hall meeting open to the public (and televised) to discuss accomplishments and ongoing efforts for the previous/upcoming year	DA/ED, DK	N						A
Action 2:	Implement the resident survey completed for the SEDP update each year. Use the results to determine panelist discussions/employment center outreach meetings	DA/ED	N						A
Action 3:	Develop a 3-part 'Economic Development 101' series similar to the SEDP video that informs viewers of [1] What is economic development?; [2] How is it implemented; and [3] What are the costs and benefits?	ED, PS, CC	I						A
Action 4:	Hold a community outreach meeting in each employment center annually to engage business leaders and residents on economic development issues, opportunities, and challenges those areas are facing	ED, DK	N						A
Action 5:	Host four (4) to six (6) expert panelist discussions on topics of economic development each year. These discussions should address specific market/location opportunities and challenges facing DeKalb businesses	ED	N						B
Action 6:	Provide an online tool for citizens and groups to submit questions, provide feedback on content, or request meetings	ED	N						A
Objective #4	Establish a regular monthly newsletter focusing on recent, current, and future economic development activities								
Action 1:	Highlight recent economic development activity and successes, maintaining a 'running tally' dashboard of accomplishments for the year	DA/ED							A
Action 2:	Publish regular opinion editorials from Board members, partner organizations, or invited guests focused on topics that influence (or are influenced by) economic development in DeKalb County	DA/ED							A
Action 3:	Include separate topic-themed Board Chair and CEO messages in each newsletter	DA/ED							A
Action 4:	Implement, monitor, and report the results of opinion polls and business surveys through the newsletter	DA/ED							A
Action 5:	Highlight a different County businesses (preferably from the target industries) in each newsletter	DA/ED							A
Action 6:	Target writing two (2) or three (3) industry/market white papers each year focused on educating local businesses and residents about current or impending market shifts and how they will impact DeKalb County	ED							A

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MARKETING AND OUTREACH									
Objective #5	Improve awareness and relationships with the business and economic development community								
Action 1:	Enhance and expand relationships with site selectors by hosting an annual networking event within DeKalb County	ED, MC, GP, IC, GA							C
Action 2:	Cohost at least three (3) networking/marketing events annually with the Metro Atlanta Chamber and other county-level colleagues	ED, MC, CB, FU, GW							B
Action 3:	Host monthly/quarterly networking events for local investors, developers, and business leaders, focusing on specific industry sectors for each event	ED, CC, DK, DM							B
Action 4:	Hold three (3) to four (4) lecture/guest speaker events; bringing in regional/national industry leaders to discuss sector/market trends. This can be co-hosted with regional partners	ED, CC, DK, DM							C
Action 5:	Host a "State of the County" event for business leaders to discuss activities over the past year, successes, opportunities, and share the business plan for the next year	ED, DK	I						B
Action 6:	Create a "Lessons Learned" report every six months that details the successes and opportunities to share with the site selector and investor contacts	ED	I, R						A
Objective #6	Improve DeKalb's electronic and social media presence and activity								
Action 1:	Implement the web-based recommendations laid out in the other sections of this implementation matrix (i.e. locally managed site database) and populate the economic development website accordingly	DA/ED							A
Action 2:	Ensure all active links and materials are current and functional at least once a month	DA/ED							A
Action 3:	Create on-site content for "What We Do" section rather than have users leave the economic development webpage	DA/ED							A
Action 4:	Increase activity across all social media platforms (i.e. Twitter, Instagram...) to no less than once a week	DA/ED							A
Action 5:	Create more consistent press releases, opinion editorials, and local media articles to no less than once per month	DA/ED							A
Action 6:	Create a citizens section on the website with access to educational information, the annual survey and results information, contact information for the community liaison, and the newsletter registration	DA/ED							A

LEGEND

Implementation Leaders

Public:

DK - DeKalb County
FU - Fulton County
CB - Cobb County
GW - Gwinnett County
GA - Georgia Department of Economic Development
DM - All DeKalb County Municipalities
AT - City of Atlanta
AE - City of Avondale Estates
BR - City of Brookhaven
CH - City of Chamblee
CL - City of Clarkston
DE - City of Decatur
DO - City of Doraville
DU - City of Dunwoody
LI - City of Lithonia
PL - City of Pine Lake
PS - DeKalb County School District
SM - City of Stone Mountain
ST - City of Stonecrest
TU - City of Tucker

Partners:

CC - DeKalb County Chamber of Commerce
CI - Community Improvement Districts (CIDs)
DA - Decide DeKalb Development Authority
ED - Economic Development Organization (New)
EM - Emory Health
GP - Georgia Power
IC - Georgia Innovation Crescent
MC - Metro Atlanta Chamber
PD - Peachtree DeKalb Airport
TC - 2-Year Colleges
UN - 4-Year Colleges
VB - DeKalb County Convention and Visitors Bureau
WS - WorkSource DeKalb

Private

C - Consultant
F - Financial Institutions
I - Industry Leaders
N - Neighborhood Residents
O - Property Owners
R - Realtors/Brokers

Cost Estimate Legend:

A - Under \$1,000
B - \$1,000 to \$10,000
C - \$10,000 to \$50,000
D - \$50,000 to \$100,000
E - \$100,000 to \$250,000
F - \$250,000 to \$500,000
G - Over \$500,000

 Action

 Implementation

Priority Actions

The implementation matrix presented in this chapter provides an easy-to-follow menu of recommendations identified to guide DeKalb County's execution of the Strategic Economic Development Plan. The recommendations are presented in five topic areas, reflecting the community's established goals: Organization and Communication, Business Retention and Expansion, Business Recruitment, Asset Development, Toolbox Development, Workforce Development, and Marketing and Outreach. The specific recommendations in this strategy were shaped by combining the visions of municipal and county elected officials and staffs, the SEDP community working group, and input from community stakeholders and business leaders. These visions were then refined and focused in ways that relate to the market conditions and specific opportunities identified in this report.

The following action items are considered to be "Priority Actions" for the County and DDDA. These are, in general, actions that can be pursued in the short term as a means of kicking off DeKalb County's implementation of this SEDP. These are considered critical, and in some cases catalytic, to achieving the community's stated goals and encouraging economic development in spaces identified in the Employment Centers chapter. This section provides context and more detailed implementation recommendations for the Priority Actions. Other actions identified and detailed in the Implementation Matrix are also necessary if DeKalb County is to fulfill the vision established for its economic development efforts, but they are considered to be supportive and/or ancillary to the Priority Actions that follow.

Organization & Communication

Objective 1: Create a public-private partnership (PPP) implementation entity to increase private sector engagement and enhance the County's effectiveness and efficiency at business retention, expansion, and recruitment.

A key task identified by the Planning, Economic Development, and Community Services Committee (PECS) of the Board of Commissioners at the SEDP's launch revolved around the county's economic development organizational structure. The SEDP was charged with providing recommendations for an organizational structure that maximizes the County's potential for success at retaining, expanding, and attracting businesses and investment. The Committee asked RKG Associates to provide feedback on different potential organizational structures, including the strengths and weaknesses for each option. Specific areas of interest identified were:

- Improving the effectiveness of implementation of county-wide economic development activity;
- Enhancing the efficiency of operations;
- Assessing the level of investment (financial and human capital) compared to desired outcomes; and
- Bolstering collaboration and cooperation with implementation partners.

RKG Associates interviewed dozens of stakeholders including regional economic development partners, municipal leaders, local stakeholders, business leaders, current and past members of the Decide DeKalb Board of Directors, and the established SEDP Working Group. Through analysis and feedback received, three primary approaches for implementation were identified: [1] create a public-private partnership non-profit entity to carry out day-to-day economic development functions; [2] retain operations under the

existing Decide DeKalb Development Authority, and [3] bring economic development functions back into County government under the Deputy Chief Operating Officer for Development position.

It is important to note that there are several roles and responsibilities of the Decide DeKalb Development Authority that must remain under a County-sanctioned development authority, per the Georgia Code Title 36, Local Government Chapter 62. Development Authorities (O.C.G.A. §36-62), more commonly referred to as the “Development Authorities Law.” The Development Authorities Law details several functions that are allowed only under a development authority structure (i.e. the County’s Redevelopment Agent, Property Development Agent, WE DeKalb, the Brownfields Revolving Loan Funds (BRLF), DeKalb Entertainment Commission (DEC) and the bond and incentive programs). Under this law, the Decide DeKalb Development Authority would need to remain active in order to administer these programs on behalf of the County, regardless of the implementation entity approach taken.

Current Organization Model

Retain the eight-member DDDA Board of Directors to implement all economic development and development authority activities.

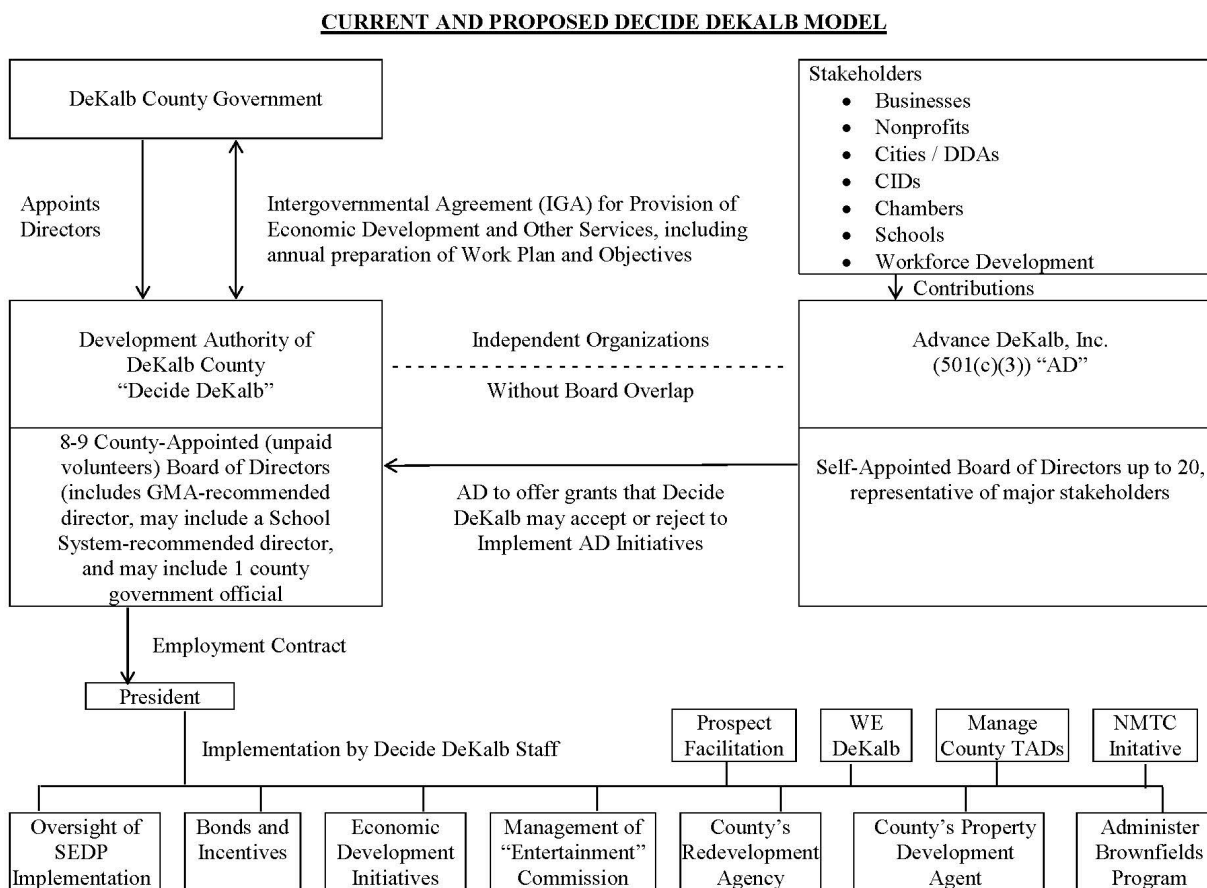
The least-disruptive approach (from a continuity perspective) to implementing the County’s day-to-day economic development activities is to retain the services of Decide DeKalb to continue to implement economic development operations. Decide DeKalb currently executes this function through an Inter-Governmental Agreement (IGA) with DeKalb County. As noted, this is one of the several functions that Decide DeKalb implements on behalf of the county.

Under this structure, the eight-person Decide DeKalb Board of Directors is appointed by the DeKalb government, having to be nominated by the Chief Executive Officer and approved by the Board of Commissioners. There are no criteria on qualifications or experience required by the enabling state legislation. The only requirement is that each board member serves on a volunteer basis (unpaid). This Board of Directors is charged with overseeing all Authority business authorized through the IGA, including staff hiring/firing.

Under this approach, the recently-created Advance DeKalb 501(c)(3) non-profit entity is a fundraising and grant-making organization whose purpose is to support the economic development efforts of DeKalb County through supplying financial grants to Decide DeKalb. The Advance DeKalb Board will determine how funds they raise should be used, and offer grants to Decide DeKalb for implementation of the grants’ unique purposes. Decide DeKalb can determine whether to accept and implement those grants on a case-by-case basis.

The existing Decide DeKalb Development Authority Board of Directors provided RKG Associates with a planned implementation model for the Development Authority (Figure 8.1). As shown, the proposed approach has Decide DeKalb fully implementing all economic development and development authority functions. The staffing strategy closely follows the staffing recommendations proposed in this SEDP (detailed later in this section).

Figure 8.1



Strengths

Consistency in operations – As noted, maintaining the same organizational approach will have the least disruption for operations. Decide DeKalb will continue to operate as-is, hiring new staff to accomplish the goals and objectives spelled out in this SEDP while continuing the ‘traditional’ development authority activities as the County’s Redevelopment Agent, Property Development Agent, purveyor of the bond and abatement programs, etc.

Maintains close control for County – Given that the state’s enabling legislation requires all board members to be appointed by the local jurisdiction’s elected body, the County has direct oversight of the Development Authority’s Board of Directors. This ensures that the Development Authority will operate under the direction of the presiding CEO and Board of Commissioners. Having this connection reduces the potential for the County’s economic development entity to pursue priorities not shared by the elected body.

Limits perceived conflicts of interest – DeKalb County has an unfortunate history of unethical behavior from previous public officials and leaders. This history resulted in the state-legislated creation of a Board of Ethics for DeKalb County. While not directly applicable to the County’s economic development efforts, it is reasonable to understand the County’s diligence in ensuring any sanctioned operations avoid even the appearance of impropriety. Maintaining the economic development operations as-is follows a proven

model (to date) that has met this threshold of ethical governance. Keeping Advance DeKalb board members from becoming Decide DeKalb board members ensures this long-term.

Challenges

Does not enhance collaboration – Maintaining operations as-is would keep decision-making for day-to-day economic development operations under the control of the County government. While the Advance DeKalb board—which is slated to have a diverse membership including CIDs, businesses, and municipalities—would offer grants to Decide DeKalb, the Decide DeKalb board could unilaterally refuse these grants. Several stakeholders interviewed for this effort identified the current lack of engagement and collaboration as a major challenge for municipal-county and stakeholder-county cooperation.

Potential conflicts between Decide DeKalb and Advance DeKalb – As stated, Advance DeKalb’s role is to offer grants, and Decide DeKalb can choose to accept or reject them. If a situation were to arise where Decide DeKalb does choose to reject a grant, it will create a potential conflict between the groups. At that point, Advance DeKalb will have to [1] rethink its priorities and interests to invest in economic development, [2] hire staff internally to implement that priority outside Decide DeKalb, or [3] cease operations since the priorities are not in sync. None of these options create the collaborative environment necessary to keep DeKalb’s business and municipal investors engaged long-term.

Public-Private Partnership Model

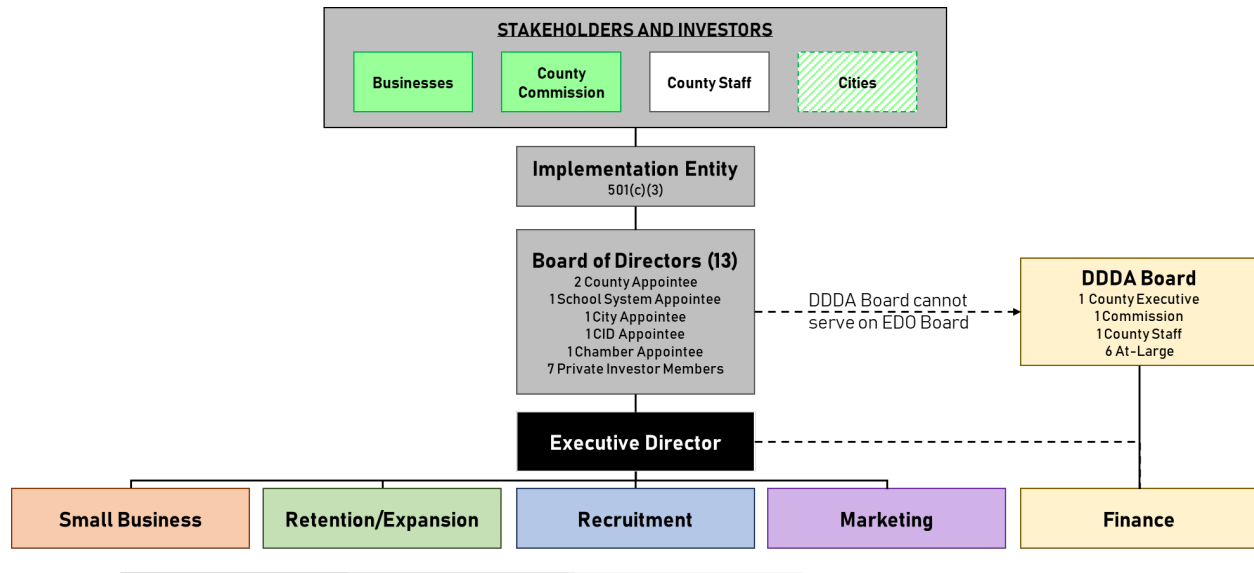
Engage a non-profit 501(c)(3) public-private partnership to oversee the application of public and private funds dedicated to economic development activities.

The public-private partnership (PPP) model effectively takes the day-to-day economic development activity responsibilities from Decide DeKalb and places them into an entity that has shared board representation between the County and business/municipal investors to oversee operations. The new PPP-entity Board of Directors would have appointees from County government as well as members elected by the organization’s investors.

Figure 8-2 illustrates a ‘straw-man’ example of how this board could be elected/appointed to ensure that all investor perspectives are given a voting seat for decision making on the entity’s priorities and actions. The prototype board would have 13 seats, with three appointed by the County (two directly and one via the school system), one by the municipalities, one by the CID boards, one by the Chamber, and seven at-large, private sector representatives. Specific recommendations for seating the PPP entity include:

- **Funding commitment for seat activation** - Each seat would require a financial contribution to the PPP entity. If any of the ex officio entities (i.e. the cities) do not fund the PPP entity, that seat would remain unfilled. Similarly, any at-large member must provide a financial contribution to have a voting position. The threshold for the required level of investment would be determined through engagement with Advance DeKalb and the County. Requiring this ‘pay-to-play’ environment ensures all voting decision makers are directly invested in the effort and augments the County’s investment through private/outside dollars.

Figure 8-2



- **Maintain majority of private board members** – A hallmark of almost all PPP entities is ensuring that private sector investors would have a majority of voting seats. Having a majority of voting seats controlled by the County creates a disincentive for outside investors to get involved. Simply put, business entities tend to shy away from investing in economic development entities that do not offer direct representation. This is evident in Decide DeKalb having never received private investment for operations.
- **Keep financial tool decision making in Decide DeKalb** – Given that the PPP entity board would not be able to have individuals who are Decide DeKalb board members, keeping all financial decisions with Decide DeKalb meets the same goal of eliminating the potential impropriety concerns detailed for retaining the existing structure. Under this approach, the PPP entity could recommend the use of financial tools, but the ultimate decision still rests with the County-appointed, independent board administering Decide DeKalb development authority operations.

Under this approach, Decide DeKalb retains all the County-authorized roles (both by law and by IGA) to administer its basic functions. This includes serving as the Redevelopment Agency and Property Development Agent for DeKalb, managing the Entertainment Commission, and administering the various programs currently in place (Brownfields Program, WE DeKalb, the County’s TAD programs, the New Market Tax Credit initiative, and the financial incentives). The only responsibility shifted to the PPP entity would be oversight and administration of the SEDP and the operations tied to that mission.

Strengths

Decision makers are all direct investors – The greatest strength to this approach is that it would bring a larger, more committed pool of decision makers to the county’s economic development efforts. At a base level, the current structure does not require a direct investment from board members of Decide DeKalb. Having ‘skin in the game’ ensures better participation, more engagement during decisions, and deeper commitment to success. The knowledge and talent pool represented in the Advance DeKalb investor

group exemplifies the opportunity DeKalb County has to strengthen its economic development operations and decision making.

Promotes better intra-county coordination – Bringing the various key stakeholders onto the board of the County’s economic development implementation entity would create an instant solution to one of the more challenging issues hindering intra-County entity cooperation. This is particularly valuable with the cities in DeKalb, as most economic development opportunities exist within municipal borders. While other efforts are needed to build these relationships (i.e. an inter-governmental agreement on the use of bonding authority for economic development), providing cities, the school system, CIDs and business leaders an opportunity to ‘have a say’ in economic development priorities and effort will help build that trust.

Separates politics of government while maintaining financial control – Moving the economic development operations from Decide DeKalb would help to ‘de-politicize’ economic development activities. Given that economic development activities require a private-sector decision to invest in DeKalb County, economic development success relies upon market strength and financial stability, and not political considerations. Decisions on ‘what’ to pursue and ‘how’ to pursue economic development need to be done pragmatically, based upon market and economic factors. That said, this approach retains the County’s ultimate control of operation via control of the flow of public dollars to economic development. If this new PPP entity diverges from the SEDP’s mission, the County can stop funding it, just as they can with Decide DeKalb.

Challenges

Creates a short-term disruption to operations – Anecdotal information revealed the creation of the Decide DeKalb model took years to finalize. While part of that was surely due to the learning curve involved with creating the first PPP for economic development implementation, any revised approach will require some time to reorganize economic development operations from Decide DeKalb to another entity. Even if the Advance DeKalb non-profit entity is used to house this approach, changes to the County’s IGA, reorganization of the Advance DeKalb board and by-laws will take time. Further, the shared staffing within Decide DeKalb will need to be addressed as well. Simply put, changing the county’s economic development approach will result in a short-term disruption to economic development implementation.

Requires a more thorough IGA and deeper trust amongst partners – RKG Associates learned that trust among the various economic development partners is frequently tenuous. DeKalb County has a well-documented history of internal conflict. Moving economic development to an entity that disperses decision-making authority on implementation actions will require a level of trust among all the partners that today is not universally shared. This is evident in how the Memorandum of Understanding that would be needed between the County and the new PPP entity is created. Each partner would have to agree to the parameters necessary to make everyone comfortable. Getting to this point may be challenging and time-consuming.

County Government Oversight

Bring economic development operations back into the DeKalb County government administration.

This approach would return DeKalb County to its operation approach prior to the 2014 SEDP plan, where economic development implementation was implemented by County staff. This approach would

effectively return DeKalb County to the situation that created the need for an SEDP, where Decide DeKalb continues the development authority functions, and day-to-day economic development operations fall under the oversight of the Deputy Chief Operating Officer for Development. The previous SEDP enumerated the arguments for and against this approach. RKG Associates believes the County has resolved this issue through its engagement with Decide DeKalb. That said, it is one of the options put forth during this effort and needed to be considered.

Strengths

Direct control over operations – The primary strength of this option is that economic development decision making will be directly controlled by county leadership. In effect, it eliminates the potential for priorities and actions to diverge from the SEDP strategy.

Challenges

Brings economic development closer to politics – As discussed, business location and operation are market and economic decisions, not political decisions. Expanding the influence of the political arena could reestablish challenges that limited DeKalb County's success in business retention, expansion, and recruitment.

Further isolates private sector investment – The creation and success of Advance DeKalb is testament to the business community's positive reception of DeKalb County's new direction in economic development. An initiative like Advance DeKalb most likely would have failed coming out of the 2014 strategy; recent efforts have made the business community willing partners in economic development. Bringing operations back into County government most certainly will end that effort. Given that Advance DeKalb is targeting a 25 percent increase in funds available for economic development, the loss of that interest will adversely affect the organization's leadership potential as well as the financial opportunity to leverage non-government money.

Further alienates local partners – Representatives from various municipal and implementation partner entities commented that bringing operations back into county government would be viewed as a 'step-back' for DeKalb. This is directly counter to the partnership building and collaborative environment needed for DeKalb County to maximize its effectiveness and efficiency in economic development operations.

Recommendation

The SEDP process was not able to identify a unanimous opinion on which option to pursue. The only unanimous opinion among stakeholders interviewed was opposition to bringing economic development operations back into the County Administration. As detailed in the preceding section, there are benefits and challenges to the other two approaches. Ultimately, DeKalb County leadership will need to determine which approach is in its best interests in both the short and long terms. From a technical advisor perspective, RKG Associates recommends that the County create a path forward that follows the public-private partnership approach.

Based upon analysis and information gathered throughout the SEDP process, RKG believes that the benefits DeKalb County would obtain from an invested board of directors that brings local partners together for decision-making would outweigh the short-term inconvenience of transitioning economic

development operations away from Decide DeKalb. Ideally, the Advance DeKalb bylaws and board structure would be reshaped to reflect a true public-private partnership arrangement similar to the prototype drawn in Figure 8-2. However, the ultimate design of a public-private partnership implementation entity will need to satisfy Georgia law. The Partnership Gwinnett structure is a good prototype of how a Georgia municipality was able to establish a true public-private partnership while satisfying the state's requirements. In Gwinnett's example, the County created a government-funded entity (GFE) that is part of their PPP entity (Partnership Gwinnett).

However, RKG Associates also recommends that the County take a calculated approach to moving to this model, ensuring a seamless and organized transition. The first steps would be to engage with the Advance DeKalb board, the identified investment partners (cities, CIDs, DeKalb Schools), and the County-elected leadership to determine "if" and "when" this transition would make the most sense. RKG envisions using the rest of 2019 to organize and coordinate this process. If an agreement can be formalized by the end of the year, transitioning at the end of the fiscal year would be ideal. That said, the County should avoid setting a hard timeframe that could force a haphazard transition. Rather, the County's CEO and the Board of Commissioners (likely through the PECS committee) should remain engaged in the reorganization process to ensure that County priorities are preserved and, most importantly, progress is made.

Objective 3: Staff the economic development organization commensurate with the SEDP's stated goals.

Stakeholders throughout the SEDP process recognized that Decide DeKalb's staffing levels for economic development are not consistent with the goals and objectives identified in this study. Simply put, the desired outcomes being sought for the County will require a greater level of staff resources to implement effectively. The Implementation Matrix prioritizes actions to be undertaken given the current level of staffing. However, additional efforts will require greater staff investment. As DeKalb's economic development entity seeks a higher level of stable funding from the County, a large portion would go to hiring staff tasked with carrying out the action items in this SEDP, in addition to the base mission of the organization. The Implementation Matrix calls for the hiring of five new full-time employees: a marketing professional, a business retention/expansion liaison, a finance manager, a development coordinator, and an international business coordinator.

- The marketing professional would support the existing marketing director, being responsible for the implementation of several discrete tasks. These include a revamp of the county's economic development website, advertising materials, and presence at conventions, trade shows, and other events. He or she would lead outreach to professional trade groups, site selectors, conventions, and other organizations that can raise DeKalb's profile as a great place to do business.
- The business retention/expansion liaison would work as the "customer service" face of the organization, interacting with existing businesses seeking to sustain/grow within DeKalb County. This staff position will insure that these businesses have the resources/support to continued succeed in DeKalb County. This may involve guiding them through a simplified permitting and approval process, aiding in site selection, and providing firms with information on available incentives and programs. The proposed ombudsmen can support the Liaison in assisting prospective firms through approvals and incentives on offer.

- A development coordinator role would consist of leading the County's efforts to partner in land assemblage and real estate development via public-private partnerships. As a "developer of last resort" via public/private partnerships, the economic development organization will require a development coordinator with extensive experience in real estate finance.
- An international business coordinator would lead the recruitment, coordination, and outreach efforts related to both building DeKalb County's profile abroad and helping existing firms to grow their business outside the country. He or she will lead engagement on international business development issues with outside groups like MAC, the Georgia Innovation Crescent, and others.

Objective 4: Create greater coordination and collaboration with economic development entities and partners within DeKalb County.

Central to historic challenges between the economic development efforts of the County and its municipalities has been a lack of clarity over the roles and responsibilities of each. Driving a mutual understanding of County and City roles can help all of DeKalb's economic development actors to be more effective. The County should lead the development of Memoranda of Understanding (MOU's) with each municipality to clearly spell out defined responsibilities. Operational agreements should be established with other critical organizations, including the Chamber of Commerce, the DeKalb County School District, Discover DeKalb/Convention and Visitors Bureau, etc. A quarterly coordination meeting between all County and municipal economic development partners can help drive clarity and ensure that efforts are not overlapping. Within a reorganized economic development structure, the Development Authority's role should be reiterated as defined by the state: as an entity that provides tailored financing tools to drive the county's economic development efforts.

Objective 6: Activate engaged DeKalb County citizens in community outreach and implementation.

Engaging active and respected members of the DeKalb community can play a key role in achieving public buy-in for economic development efforts. Communicating the benefits of economic development (be it via zoning changes, incentives, marketing efforts, events, or other initiatives) to the public *before* asking them for buy-in related to a specific project will be critical. The SEDP calls for the recruitment and training of several citizen leaders to assist in engaging with the broader community (ADVOCATES). Having three community advocates for economic development in general can help educate the public on its many benefits and dispel false information or rumors. Up to four local business AMBASSADORS in each of the identified target industry sectors can help County staff with recruitment efforts, possibly connecting with prospective firms to communicate DeKalb's advantages from a business perspective. Further, the establishment of a business MENTORS can pair successful businessmen and women with small business owners, helping to cultivate business growth and encourage businessowners to ultimately remain in DeKalb as they grow.

- **Community advocates to assist in community outreach** – To date, the DDDA has not put much effort into engaging residents about the opportunities/challenges of implementing an economic development program. Given the challenge of reaching all the different community groups (and economic development perspectives in DeKalb County), engaging a select group of interested citizens to assist in engaging community groups. Ideally, the community advocates would be individuals with strong ties and broad recognition within either an area of the County or with a civic group. Individuals selected to be advocates should be familiar with the EDPs economic

development efforts, can discuss and explain economic development concepts, and be well spoken. Most importantly, the advocates must be available to assist in outreach to various community (i.e. congregations) and civic (i.e. neighborhood groups) entities. The advocate effort is intended to build community-wide awareness of the benefits and challenges of implementing an economic development strategy at the local level without requiring a staff large enough to provide individual attention to every citizen.

- **Ambassadors to assist in industry retention and recruitment** – The ambassador program is a collection of business and industry leaders that provide support to the economic development entity's staff for business recruitment and retention. Although these individuals will have no formal authority within the business engagement process, they provide a 'real life' vantage point for prospects about doing business in DeKalb County. Their most important function is to provide a business perspective for prospects interested in locating/expanding within the County. Utilizing business leaders in the recruitment process legitimizes the recruitment effort through testimonials while leveraging the staff's time and effort. It is important that ambassadors be well informed, well-spoken, and respected within their industry. In other words, the most effective ambassadors may not be from the largest businesses. At a minimum, there should be at least two ambassadors from each industry sectors to ensure appropriate coverage in the County's retention, recruitment, and attraction efforts.
- **Mentors to aid new entrepreneurs be successful** – A business development mentorship program pairs successful entrepreneurs with individuals with a business concept, but limited resources or understanding of starting, operating, and growing a business. These programs provide local entrepreneur's access to someone who has 'been there' within their industry, adding confidence in the advice and direction provided. Having a local mentor also provides stability, as the relationship created can carry forward after the program has served its purpose. The participant typically signs an agreement to operate for a certain period within the boundaries of the program (the county in this case) or pays a mentorship fee. Given the large and growing retirement-age population in Boyle County, the EDP can tap into the local knowledge base to find volunteer mentors. It is recommended that the EDP utilize a training program for its mentors to ensure consistent and successful efforts (i.e. the Mentor-Protégé Program through the Small Business Administration or SCORE).

Business Retention & Expansion

Objective 2: Co-sponsor the annual business survey with the Chamber of Commerce.

Understanding the challenges, concerns, and desires of the county's existing businesses will prove key both to retaining valuable employers and to refining County actions in ways that help attract new businesses. The Chamber of Commerce has reportedly executed an annual survey of its members, seeking to gather basic information on each as well as ways the Chamber can assist their businesses. A County co-sponsorship of the effort can broaden its reach and can seek recommendations for County-led actions. Eliminating the need for two separate surveys can improve response rates, minimizing the number of interruptions for busy businessowners. Administering the survey annually, at the same time of year, and with clear communication across online, print, and other channels beginning at least two months in advance, can increase response rates and standardize data for year-on-year analysis.

Objective 3: Build industry roundtables in a number of different market areas.

Establishing industry-specific roundtable networks can demonstrate to the Metro Atlanta Chamber and other regional partners that DeKalb County is serious about attracting and retaining firms in its target industries. These business-led groups can assist in advocating for DeKalb County's role at the forefront of Atlanta-area efforts to develop new technologies or industry clusters, like those affiliated with MAC's Internet of Things program. Meetings should be held at regular intervals (recommended quarterly), include businesses of different sizes, and from different areas of the county. In addition to convening businesses that can help advocate for the County's continued growth, the roundtables can also provide the County with critical feedback on needed intervention or improvements relevant to a specific industry cluster. This feedback can help inform annual action plans for the public-private partnership and/or the Development Authority in the future. These roundtables should be led by a coalition of implementation entity staff and the identified ambassadors from that specific industry cluster.

Business Recruitment

Objective 1: Focus proactive marketing and recruitment efforts.

In the short term, the prioritization of marketing and recruitment within just two of the identified target clusters can maximize their effects. The Health & Life Sciences and Advanced Manufacturing are recommended early targets due to their large, catalytic potential. These clusters also offer the greatest opportunity for success given their large local and regional presence, substantial growth within the County, and proximity to regional assets like Hartsfield-Jackson Airport, PDK, the interstate system, Children's Hospital of Atlanta, Emory Health, and the Center for Disease Control.

Industry-specific websites, like the DeKalb Entertainment Commission's efforts for the film & entertainment industry, can provide relevant data, contacts, and recruitment information for each target sector. These may include information on prospective development sites and/or available incentives/programs. Industry roundtable groups can help to provide testimonials and other marketing materials.

Marketing directly to firms in the target industries can help build DeKalb's brand as a great place to do business. This may involve a stronger presence at trade shows and conventions, advertising in trade-specific publications, and investing in search engine optimization or other online "push" advertising. The identification of particularly catalytic, potential target businesses via a business database vendor or the agency's relationships may warrant business recruitment trips in cooperation with MAC or another regional partner. Specific recommendations include:

- **Attend industry-oriented events** – The implementation entity should research and join national and/or international trade organizations within the target industry sectors. These organizations enable the County to market directly to prospects and exhibit at regional/national conferences. This should be done in coordination with local and regional economic development partners (i.e. MAC, the municipalities, neighboring counties...)
- **Implement targeted recruitment trips** – The implementation entity should augment the partner trips with strategic site visits to prospects within the United States. These trips oftentimes identify between 10 and 15 prospect companies within a confined geography (within the Midwest is recommended) for one-on-one visits. Developing these target lists and establishing these trips

typically are coordinated with consultants that specialize in prospect identification and development.

- **Locally-hosted prospects** – The County’s economic development entity should consider hosting individual and groups of prospects. Hosted events should be themed in nature (i.e. vertical supply chains for existing companies, target industries...), lasting between 2-3 days. The event should be highly structured, integrating social events with ambassadors/local industry leaders with information sessions and strategic site visits. Partnerships with local, regional, and statewide economic development entities to implement site visits are highly recommended in the short term. This approach provides many advantages to the implementation entity, most importantly, the potential to leverage additional staff and financial resources.

Objective 4: Implement a more proactive entrepreneurial development program.

Strong support of the development of small businesses in DeKalb County presents an opportunity to both create new jobs and to help retain them as the companies grow. Involvement can take place at many different scales, from providing simple do-it-yourself entrepreneurial reading materials to providing hands-on training via a business mentorship program or funding via an expanded revolving loan fund.

One initial opportunity is to identify and train DeKalb business leaders to be mentors for locally-based start-ups and small businesses. The identified mentors can be trained through a program such as the US Small Business Administration’s (SBA) mentor-protégé initiative. Assistance provided can range from business plan development and marketing guidance to making industry connections and navigating the commercial leasing process.

Involvement in the revolving loan fund or mentorship program may help feed small businesses into a County-sponsored space in a local coworking facility, a County-built Entrepreneurial Center, or a virtual/physical incubator space operated by DeKalb’s economic development entity. As the most successful businesses look to expand into more permanent space, County economic development staff can leverage existing relationships to help businesses to identify, secure, and afford their first location in DeKalb County.

Objective 5: Establish an international business recruitment effort within the DeKalb County economic development entity.

Based upon opportunities identified in the SEDP, County economic development staff should finalize a list of target countries for international business development. Ideally, these countries will serve as both markets for exported goods and sources of future investment in DeKalb. Once identified, DeKalb should partner with MAC or the State’s economic development staff to develop an implementation and outreach plan for each. In the near term, progress with a nation targeted for business development may consist of convening a roundtable of local businesses or community leaders with ties to that country, developing relationships with relevant consulate contacts, and eventually scheduling joint recruitment and relationship-building trips with local entities like MAC. The entrepreneurial development initiatives identified in Objective 4 of this section may include components that target international business development, including the support of local businesses owned by immigrants.

DeKalb County may find value in studying the potential impact of a Free Trade Zone (FTZ). The establishment of one or more of these districts in the county can help set it apart as a place for

international business within Metro Atlanta, by reducing tariffs and other tax impacts for firms engaging in trade. Siting a FTZ along the I-20 corridor – an area identified as ideal for expansion of the county’s advanced manufacturing, logistics, and distribution ecosystem – may allow for the maximum positive impact and job creation.

Asset Development

Objective 1: Formulate (or enact) economic development concepts for each employment center and commercial corridor.

The SEDP’s Chapter 5 identifies and outlines strategies for 14 unique employment centers across DeKalb County. Key to efforts in all of the employment centers will be the increased communication and clarification of the roles of city and County economic development professionals. Formalizing these roles may be done via the county-city creation of Memoranda of Understanding (MOU) recommended in Objective 4 of the Organization & Collaboration section. With roles defined, the SEDP can serve as a kicking-off point for developing a collaborative *strategy* for each area. Together with city economic development agencies where appropriate, DeKalb’s economic development entity can engage in longer-term planning efforts that identify specific and catalytic land use changes, marketing opportunities, and unique recruiting strategies for each employment center. These may involve transportation planning, existing LCI studies, and engagement with other stakeholders.

After strategies and goals are identified for each Employment Center, the County’s various marketing and business engagement entities can disseminate informational materials specific to each geographic area, highlighting its unique strengths and development sites. These can be highlighted at trade shows, target industry roundtables, and other business recruitment forums.

Objective 4: Create a funding strategy for expanding available inventory for economic development.

With expanded abilities to engage in land assemblage and real estate development as part of public-private partnerships, the County can play a critical roll as a “developer of last resort” for important projects in economically-challenged areas. This may involve the creation of a County Land Bank, which can hold strategically-important properties to ensure eventual development that reflects the community’s needs. Rolling existing, underutilized County-owned into the Land Bank can provide a strong start. Seed funding, perhaps via a bond issuance, can fund the Land Bank’s efforts to acquire additional parcels, especially those that are adjacent to and could unlock the County’s existing properties. A separate but related Infrastructure Investment Fund (IIF), financed by net new revenues from the Development Authority’s bond-lease program, can help address urgent infrastructure needs that may unlock private investment. These may or may not be related to new public/private development projects taken on by the County/Land Bank. The Infrastructure Investment Fund can provide needed fixes for issues large and small, and can help improve conditions for existing businesses and properties that may be ineligible for TAD-type assistance. The IIF could, for example, fund road improvements in areas targeting logistics and distribution employers, or broadband installation in technology-heavy commercial corridors.

Toolbox Development

Objective 1: Build more consistent and predictable review and approval processes.

Stakeholders made clear in SEDP interviews that the County has made strides in the simplification and streamlining of approval processes since the previous SEDP. That said, further improvements can and should be made. As DeKalb attempts to shed a perceived image – fair or unfair – as being “business unfriendly,” simple, customer-service oriented approval processes can boost the county’s profile.

This should involve the hiring of three full-time employees (as funds become available) as ombudsmen within the County’s Planning Department. These individuals will serve as troubleshooters and guides for businesses interested in setting up shop or growing in DeKalb. The ombudsmen will assist both existing and prospective firms through needed rezoning petitions, infrastructure requests, permitting, and development approval processes.

DeKalb’s approval processes should have well-defined review periods, with shorter promised review times for projects that meet certain thresholds for jobs or investment, or if they are relevant to identified target industries. Additionally, those projects that fall below a certain size, including those with mostly cosmetic changes, should be handled and approved administratively, without entering the full review process. Larger projects that require reviews from multiple departments should be eligible for concurrent review.

Objective 3: Develop a formulaic incentive schedule for County-funded incentive programs.

Improved clarity regarding a proposed project’s eligibility for incentives will benefit developers, businesses, and the County alike by reducing confusion and saving time. These can also ensure that rules are applied consistently, and that assistance is going to worthy (and otherwise infeasible) projects that are evaluated on a level playing field. The criteria considered when granting the County’s financial incentives should be based upon net new job creation, the value of property created, locational considerations (with preference given to projects on catalytic sites and preferably with multi-modal access), and industry sector. The amount of incentives provided should be on a “sliding scale” to ensure that the County’s commitment is in line with the amount of private investment committed, and to discourage developers from making arbitrary program changes in order to meet assistance thresholds. All incentives should include performance reviews with “clawback” provisions to ensure that projects deliver upon promises made.

Increased awareness, marketing, and support of the County’s Tax Allocation Districts may help increase participation in what has been an underutilized program to date. Separately, the County should seek to clarify and standardize rules and procedures involving its bond-lease program. Collaboration with the School District and the county’s municipalities will be critical to eliminating the reported confusion and discord that have arisen from the program in recent years.

The County has engaged a separate, concurrent effort to review the County’s economic development incentives. The SEDP process collaborated with this effort and supports the recommendations therein.

Workforce Development

Objective 1: Reactivate the Workforce Task Force to bring education and training leaders together with business leaders to ensure that available programs are addressing local employer *and* resident needs.

County economic development officials can serve as connectors and facilitators that assist DeKalb's existing workforce development organizations to improve and augment their services. The County economic development entity should collaborate with DeKalb Public Schools to convene all of DeKalb's workforce stakeholders in quarterly meetings that provide clarity and a unified vision. These meetings should include representatives from each of the five Target Industry roundtable groups, and connect them with leadership from WorkSource DeKalb and area schools. As CTAE and other public-private education initiatives continue, economic development staff should ensure that strong tracking mechanisms are in place so that programs' successes can be highlighted, and improvement areas identified. Reliable data will allow decision-makers to understand how well programs are serving students, as well as the effectiveness for companies that participate and hire graduates.

Matching internship, apprenticeship, and training programs to both Target Industries and critical Employment Center areas can ensure that prospective employees find jobs in in-demand fields in the locations that are most aligned with County's economic development goals.

Objective 3: Establish and host a DeKalb County Job Fair.

The economic development entity should work with DeKalb's universities and technical schools, workforce development agencies, and employers – especially in the identified Target Industries – to create a countywide job fair. Exposing local jobseekers or underemployed residents to the wide array of opportunities that exist in DeKalb County may encourage them to connect with workforce development organizations or to apply for relevant positions. Middle- and high-schoolers should be invited to at least one day to learn about employers and opportunities for internships, summer jobs, or training. Workshops and classes on job readiness tasks like resume writing, mock interviews, and business etiquette can educate attendees and also provide a preview of the services available through the county's workforce development agencies.

Marketing & Outreach

Objective 2: Create a more robust performance dashboard to better engage County leadership.

DeKalb County's economic development agency can help to combat lingering narratives about the county's "business unfriendliness" with fact-based measures of its progress and successes. These can be clearly and engagingly presented in a redesigned "performance dashboard." By reporting figures in categories like business retention, business recruitment, entrepreneurial development, workforce development, and fiscal sustainability, the Dashboard can provide community liaisons and staff with facts that can illustrate economic development's many benefits in public meetings and outreach. These can also help earn buy-in from internal stakeholders, including the County Commission. Establishing a regular drumbeat for updating the dashboard can ensure that it continues to garner attention and conversation after relaunching. Invest Atlanta and Roswell Inc are local economic development entities with annual reports/dashboards that would be a good template for DeKalb County.

Objective 3: Implement a proactive community engagement and education initiative.

Communicating the benefits and facts of economic development to the public should be done regularly, and at times when the County is not seeking public approval of any ongoing initiative. Education can help residents to understand the relationship between jobs and housing, land use and congestion, transportation access and value, and other important aspects of economic development decision-making. Regular town hall meetings, social media engagement, “expert panelist discussions” and other points of contact with the community can help create advocates that are able to spread factual information and dispel false rumors. The formal “community advocates” recommended in Objective 6 of the Organization & Communication section of this chapter can help lead the marketing and administration of these events. Outreach should target and involve the county’s many strong community organizations, including its churches, schools, youth sports leagues, immigrant organizations like the Latin American Association, and others that can help spread news of DeKalb’s economic development successes and opportunities.

Objective 5: Improve awareness and relationships with the business and economic development community.

Regional business organizations, professional site selectors, developers, and industry groups are among the contacts that should be regularly and deeply integrated into the County’s economic development efforts. Achieving this will involve networking and marketing events, regular progress updates, and more frequent communication regarding the County’s economic development projects and its highest-potential sites. Materials should be tailored for the business community, with more in-depth information related to financial transactions, site selection criteria, and market trends than is necessary for updating the general public. Guest speaker events open to the business community can highlight opportunities and ongoing projects relevant to one or more of the Target Industries.

The Metro Atlanta Chamber (MAC) and Georgia Power have well-established regional and national economic development professional networks. DeKalb County’s implementation entity would be well-served to proactively engage with these partners to develop and strengthen their relationships. Furthermore, DeKalb County has the potential to co-sponsor/collaborate networking events and recruitment trips, building on regional partners’ experience and capacity while potentially sharing in costs. Partnerships should extend beyond metro-wide partners and include other county entities (i.e. Partnership Gwinnett) and statewide partners.

Funding Estimates

The stated goals and objectives are broad and encompassing. Given the size and scale of DeKalb County, implementing all the recommendations to a level necessary to meet the County leadership’s expectations will require substantially more resources than currently invested. RKG Associates estimates fully implementing the included matrix will require approximately \$3 million annually (NOT including the program administration responsibilities of the DDDA) to support the staffing levels and investment necessary. Currently, the County has committed \$750,000 in dedicated funding to the DDDA, with another \$500,000 to \$750,000 in net revenue being generated through the County’s bond-lease program.

It is RKG Associates’ recommendation to separate program administration costs and revenues from the costs to implement the County’s economic development efforts. Simply put, requiring the implementation entity to rely upon funds from lease payments creates uncertainty of funds from year-to-

year. Rather, RKG recommends creating a dedicated funding source (essentially expanding the existing \$750,000 commitment) to a level commensurate with the County leadership's expectations. Any excess revenues from the DDDA's program administration should be committed to a capital fund (i.e. the Land Bank concept or the Infrastructure Investment Fund).

While efforts through the Advance DeKalb effort could bring as much as \$400,000 annually to the County's economic development effort, this would only total \$1.15 million annually when added to the County's committed funds—which is less than the estimated \$1.5 million currently used to operate both the program administration and economic development duties under the DDDA. It is recommended that the County commit \$1.5 million annually in the short term to maintain current operations, and approve the \$500,000 budget increase requested through the DDDA. Longer-term plans should be to increase the County's total dedicated investment to \$2.5 million through future budget increases. As noted, any surplus revenues generated through the County's program administration should be invested in capital projects funds committed to economic development efforts.